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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 1 -

514 SUGAR SHIPMENTS STOP-Santiago, Cuba-Sugar shipments for the United States were paralyzed today as growers refused to deliver the commodity.

The move resulted from a notification by the United States Credit Corporation that it would pay only 3.1 cents a pound for the sugar until the CCC was repaid for 47,500 tons of sugar it delivered last year, as a loan to the Cuban Government to meet local consumption needs.

The growers are demanding 3.675 a pound for their sugar for this year's crop.

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CANADA RELAXES PRICE, PAY CURBS-Ottawa-The way was opened today for possible pay increases for Canadian office and factory workers as the Government relaxed its economic-stabilization program by suspending some 300 price ceilings and easing wartime controls on general wage and salary increases.

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TRUMAN BARS END TO PRICE CONTROLS-Washington-President Truman declared today that the proposal of Henry Ford 2d for removal of price controls in all materials connected with the making automobiles and automobile parts could not be accomplished without inviting wild inflation.

Mr. Ford, president of the Ford Motor Company, asserted in a telegram yesterday to John W. Snyder, Director of War Mobilization and Reconversion, that the Administration's policy was stifling America's ability to produce and heading the country toward inflation.

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NEW MOVES MADE TO END TUG DISPUTE-Some progress toward a settlement of the differences between the towboat operators and the men who man the tugs was indicated last night when the conference between representatives of both sides, called on Wednesday by Mayor O'Dwyer's office for 10 o'clock this morning, was deferred until further notice.

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EXCESS IN POULTRY POSING A PROBLEM-With so much poultry held in cold storage in this country that the trade is seeking new markets, the Department of Agriculture indicated yesterday that there was no likelihood of selling present accumulations of the United Nations Relief and Rehabilitation Administration for shipment to the war-ravaged countries.

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CITY MEAT PLANTS NOW STRIKE-FREE-Truck drivers for the Swift and Armour slaughterhouses returned to work last night, leaving the meat industry in this city unfettered by strikes for the first time since Jan. 15. Only a continued scarcity of animals, which are arriving slowly from the Midwest stands today between New Yorkers and a normal meat supply.  
(Turn to page 2 for other items in today's N. Y. Times.)



From The New York Times, Feb. 1 - (Cont.)

COMMODITY INDEX UP 0.1% LAST WEEK-Washington-Primary market prices averaged 0.1 per cent higher during the week ended Jan. 26. At 106.8 per cent of the 1926 average, 0.2 per cent below the peak of four weeks ago, the index of commodity prices prepared by the Bureau of Labor Statistics, Department of Labor was 2.0 per cent above the corresponding week of 1945.

Average prices for farm products advanced 0.5 per cent during the week, chiefly because of higher quotations for live stock and poultry. The group index for farm products was 2.1 per cent below a month ago, and 3.3 per cent higher than a year ago.

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COTTON INCHES UP DESPITE HEDGING-Despite continuation of hedging against releases of cotton by the Commodity Credit Corporation, the cotton futures market on the New York Cotton Exchange inched upward yesterday from the opening and closed near the best levels of the day, 7 to 17 points net higher, with the distant months relatively stronger than nears.

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MAY RYE ADVANCES 3 1/8 CENTS ON DAY-Chicago-May rye on the Chicago Board of Trade turned strong today after an early dip and rallied 5 1/8 cents a bushel from the low. Although reacting slightly from the top, the finish was at a net gain of 3 1/8 cents. Other rye futures were unchanged at the ceiling price.

A light trade was on in wheat futures at maximum prices. No business was done in corn futures, which held at the ceiling, as did barley. Active deliveries of oats gained 1/4 cent, with May unchanged at the permissible maximum.

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STASSEN URGES PRODUCTION TO CHECK INFLATION-"Production and more production" will prove to be this nation's greatest safeguard against inflation, Harold E. Stassen, former Governor of Minnesota, declared yesterday at the second day's sessions of the Independent Grocers' Alliance convention at the Park Central Hotel. Mr. Stassen, who was introduced by J. Frank Grimes, president of the organization, as a man "the world will hear a great deal about in the next two years," urged greater co-operation between labor, management and Government in the interests of the nation's economic future.

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BIG FOOD SAVINGS SEEN-The equivalent of a full year's food supply for Chicago, Philadelphia, Detroit and Boston will be saved in the changeover of Army and Navy personnel to civilian life, the Great Atlantic & Pacific Tea Co. said yesterday.

"The annual rations of 13,000,000 men and women in the armed forces at the war's end will feed at least 17,000,000 adults engaged in peacetime pursuits," the company estimated.

"An adult, subject to military rigors, consumes a full ton of food a year while the average non-combatant requires 500 pounds less."

A. & P. said the difference-multiplied by the number of individuals who will be mustered out of military service--amounted to 6,500,000 pounds of food, or enough to sustain those four major cities.



From The Wall Street Journal, Feb: 1 -

**WHEAT SHORTAGE** - America is about to find out that it can't export its wheat to half-starved nations and eat it here, too. If it persists in trying to do so, the U. S. will end up with a shortage in this basic foodstuff. It could easily run out of the raw material for its daily bread before a new wheat crop refills the flour bins.

One outcome of a wheat shortage might be poorer quality bread. It has been suggested to Secretary of Agriculture Clinton P. Anderson, for example, that millers not be so fussy in separating the kernel from its covering. As it is now, about 72% of the wheat is turned into flour; the rest goes into "middlings"..

Despite such gloomy prospects, President Truman only recently charged Secretary of Agriculture Clinton P. Anderson with "personal responsibility" for seeing that 225 million bushels of wheat are exported during the first six months of 1946, according to grain men.

Experienced grain exporters pointing to one unsuccessful attempt after another to obtain wheat for shipment abroad, say of the Government export plan "it can't be done."

Grain men doubt, in fact, that even 175 million bushels of wheat, or the equivalent in flour, would be exported in the first half of this year. Winter weather which adds to transportation difficulties hinders the movement. Even if ample wheat were being offered now, it would be difficult to move it all. But shipments of 175 million bushels, if possible, would strip this country bare of its surplus wheat before new crops were harvested.

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**U. S. ACTS TO MAKE MORE WHEAT AVAILABLE** - Washington - The Government made two moves yesterday designed to make more wheat available to hard pressed flour millers in this country. Wheat loans made by the Department of Agriculture to farmers in 22 Southwestern and Eastern states were called by the Department; effective March 1.

At the same time, the Office of Price Administration announced new methods of figuring maximum prices for wheat destined for export, which the agency said would remove the price differential which foreign-bound wheat enjoyed over grain for domestic use. The move was made, the OPA said, at the request of flour millers....

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**AMERICAN TOBACCO, REYNOLDS REPORT SALES RISE** - Two leading tobacco companies, American Tobacco Co. and R. J. Reynolds Tobacco Co., reported continued sales gains in the past four months compared with the like period a year earlier. Both companies said they had experienced no let-down in total demand for their products, despite sharply reduced shipments to the armed forces.

American Tobacco, manufacturer of Lucky Strike and Pall Mall cigarettes, said that total sales volume for the final three months of last year was larger than for the like period of 1944. The trend continued into January, when sales in the first four weeks ran 28% above the similar 1945 period. Reynolds is currently running at full capacity and still is unable to fill all orders.

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**PRODUCTION OF RAYON ROSE 10% LAST YEAR** - Domestic production of all types of rayon totaled 792.1 million pounds during 1945, an increase of nearly 10% over the 723.9 million pounds reported for 1944, the Textile Economics Bureau, Inc., announced. Preliminary figures for 1945 show production in the U. S. responsible for about 60% of the world's total output of rayon filament yarn and 25% of rayon staple fibre. World output of rayon yarn and staple fibre was about 1.7 billion lbs.

(Turn to page 4 for more items from today's Wall St. Journal) Farm Digest 215-46

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From The Wall Street Journal, Feb. 1, (Cont.) -

CATERPILLAR HAS THREE NEW LINES - Chicago - Caterpillar Tractor Co., with the production of three new lines, is for the first time making both tractors and the earth moving equipment to go with them.

One of these new products is scrapers, made in three sizes, on which the company has just started. Bulldozers went into production about the turn of the year and a limited number are now in the hands of distributors. The third line is a wheel-type industrial tractor on which production began late last summer. Up to the present, Caterpillar has produced only track-type tractors.

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WILSON AND CO., INC., - Edward Foss Wilson, president, told stockholders in fiscal-year report that "our decline in the volume of sales was caused by a sharp reduction in livestock processed. The reduction in net earnings, however, was principally due to higher wage costs and higher livestock prices without commensurate increases in ceiling prices for our products or in federal subsidies.

"Scarcely any part of our operations during the past year, or even now, can be reported without referring to the effect of some kind of governmental influence," Mr. Wilson said.

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From The New York Journal of Commerce, Feb. 1 -

FLOUR SUBSIDIES STAY UNCHANGED - Washington - Reconstruction Finance Corp. announced today that wheat subsidies for February will be the same as last month. Wheat subsidies are:

1. All wheat ground outside of the Pacific Coast area except wheat originating in the Pacific Coast area--31-1/2¢ a bushel.
2. All wheat ground in the Pacific Coast area and all wheat originating in the Pacific Coast area and ground outside--34-1/2¢ a bushel.

The RFC announced that the present flour subsidy program will be terminated March 1, 1946, and that a report on the inventory of flour and wheat on hand at the close of business Feb. 28, 1946, will be required from mills.

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LIMITS ON FLOUR BUYING HELD LIKELY - Activity in flour was restricted to occasional small domestic and export sales as mills continued to offer very sparingly and there appeared to be little likelihood of any early change in this situation.

Attention of the trade was directed toward Washington in expectation of regulations which would limit mill wheat holdings, and there also was discussion of the possibility that bakers' purchases would be materially curbed.

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DRASTIC NEW CUT SEEN IN BEVERAGE USE OF GRAIN - Washington Beverage alcohol distillers face another cut in grain supplies for March, it was learned today. In addition, there is little prospect for relief from the current tight situation until new grain crops are harvested next summer and fall, Dept. of Agriculture officials believe. Although the Dept. has no intention of completely cutting off the beverage spirit industry from grain supplies, shortening stocks of all grains together with unprecedented demands for feed and flour make it virtually certain that the March allocation, and probably subsequent allocations, will be less than the already-curtailed February grant of grain, it was disclosed.

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Farm Digest 215-46-4



From The Food Field Reporter, Jan. 21 -

WHAT HAPPENS WHEN CONSUMERS who have been hoarding a scarce commodity become convinced the shortage has been licked, the distribution pipeline fills up and demand drops to somewhere around normal? Food men in and out of government, in and out of Washington, who have been asking this for months may have the answer in what happened to cigarettes during the past month. They backed up on dealers and manufactureres like a long freight train suddenly brought to a stop. Production has stopped sharply, burley tobacco prices are down heavily and the end isn't in sight. OPA food men, who have been watching the food situation closely, are now wondering whether the same thing isn't possible with such things as canned foods, dry groceries, fresh fruits and vegetables.

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ASSAY OF VITAMINS DOES NOT ALWAYS GIVE SAME RESULTS, State College, Pa.--The existing methods of vitamin assay do not always yield concordant data in the hands of different investigators when applied to the same food products. This is the major conclusion drawn from a result of collaborative assays conducted by 21 laboratories located in various parts of the country using 6 representative foods--corn, peas, carrots, tomatoes, salmon and ham.

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DAT OLE DEBBIL SUBSIDY AGAIN-Editorial-Dat ole debbil Subsidy has raised his ugly head again and it will be well if the food industries and their most clear-headed executives look him straight in the face and take his measure instead of trying to scare him off by yelling "un-American." Laying aside the question of his Americanism, which isn't particularly relevant now, it certainly is a fact that he is unwanted and unloved, even by those who brought him into existence.

However unlovely a creature the Subsidy Devil may be there is another looking over his shoulder who is far more malevolent. His name is Inflation. There is no question about his Americanism--he is definitely un-American. Nor is there any question about his evil intentions and the surely evil consequences which will come to all of us if he is not restrained. To say that acceptance of subsidies on food products for six months or even a year after July 1 is a lesser evil than inflation is a gross understatement. If the alternative is subsidies or inflation, we must take subsidies--and gladly.

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From The National Wool Grower, Jan, 1946 -

SHEEPMEN THINK OF INTERNATIONAL AFFAIRS-The following statement partially presents the views of J. C. Williams and Clayton Williams, sheep ranchers of Ft. Stockton, Texas, on the proposed  $4\frac{1}{2}$  billion dollar loan to Great Britain. It was sent to the Wool Grower by Marsh Lea, former president of the Texas Sheep and Goat Raisers Association.--We are opposed to the proposed  $4\frac{1}{2}$  billion dollar U.S. loan to Britian for these reasons. Secret manner of its negotiation. Britain on basis of past record is bad debtor and loan will probably be eventually a gift...We understand one of the principal negotiators of this alleged loan on the USA side is Mr. Will Clayton, member of the firm of cotton brokers, Anderson & Clayton. This firm sells large quantities of raw cotton to textile manufacturers in Great Britain and such transactions will in the future be greatly aided by the consummation of the transaction now proposed. For the ultimate good of the USA it would be much preferable for maximum quantities of raw cotton to be manufactured into textiles with in the USA, and then sold abroad into foreign markets; but the immediate interests of such firms as Anderson & Clayton would probably not best be served thus.

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From The Kansas City Times, Jan. 20 -

**KNOW HERE OF SUIT PILE**-A representative of a men's clothing department in a downtown Kansas City store said yesterday he had heard reports that men's suits were held in manufacturers' warehouses and knew some instances where this condition existed.

The comment was occasioned by a report from Baltimore yesterday that thousand's of men's suits are being held in storage there.

The dealer said he did not believe it was "a conspiracy for profit" on the part of the manufacturers but rather an effort to adjust their costs.

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From The Milwaukee Journal, Jan. 29-

**BANKERS HAIL PROSPERITY OF WISCONSIN FARMERS**-State bankers attending the annual midwinter meeting and postwar conference of the Wisconsin Banker's association at the Schroeder hotel Tuesday were almost exuberant in their description of the financial condition of Wisconsin farmers.

Delegates interviewed agreed that the position of the farmers "never was better." All agreed also that the present prosperous times would continue, only the time estimates varied slightly.

"I've been in the banking business since 1906," said Max Steig, cashier of the Dairyman's State bank, Clintenville, "and I have never seen farmers in our area less in debt. They are spending more, true, but they are spending it wisely, making improvements on their farms and buying equipment as it becomes available."

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From The Times-Picayune, Jan. 29 -

**COTTON RESEARCH PROGRAM BEGUN**-Austin, Tex.-Research into the biological and biochemical nature of cotton and cotton products has been instituted at the University of Texas under direction of Dr. Harold H. Webber.

Dr. Vernon F. Frampton will be associated with Dr. Webber and a staff of a dozen members will aid in the work which is the continuation of a research project of the National Cotton Council.

This section of the national council's research was transferred from Southern Methodist university at Dallas to the University of Texas.

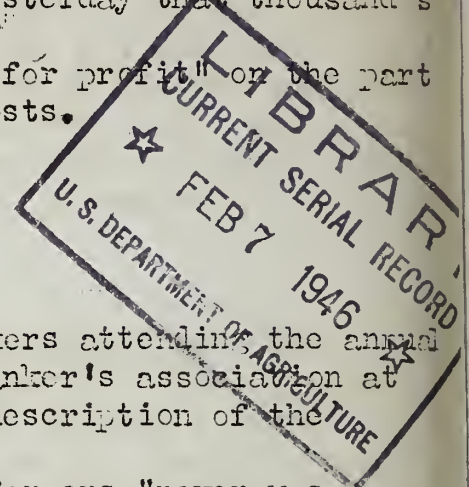
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**A STRIKE AGAINST STRIKES**-Editorial-In a mass meeting at Chickasha last week, farmers of Grady county, Oklahoma, called on their fellow producers the country over to "withhold all food from markets until current strikes are settled."

That is, we dare say, what 90 percent of the American people want. A drive by the farm population to withhold all food from market, would, if successful, draw vociferous protest and condemnation from the strike warriors now halting reconversion and preventing the production of goods their countrymen need so desperately. It is scarcely conceivable, for American farmers in great majority are individualists who have no thought of forcing hardship and privation upon their countrymen by organized mass pressure. But wouldn't such an undertaking be as justifiable as the strike effort to stagnate all industries and bring privation upon millions of Americans, by use of the same tactics?

Many millions of inarticulate citizens in all the walks of life feel that same way.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 4

**TUG STRIKE TODAY THREATENS CITY'S FOOD, FUEL SUPPLY**-A strike of 3,500 tugboat workers set for 12:01 a.m. is expected to paralyze ship traffic in New York Harbor today and, if prolonged, to result in critical fuel and food shortages here.

Renewed attempts will be made this morning by the City Administration to bring about a quick settlement of the walkout, called by Local 333, United Marine Division International Longshoremen's Association, AFL.

In the event that no progress is made toward a settlement of the strike, Government seizure of the 400 motor barges and tugs involved in the dispute was believed by shipping sources here to be "a serious consideration".

**BIDS TRUMAN SCOLD AIDES FIGHTING OPA**-Washington-James G. Patton, president of the National Farmers Union, urged President Truman to "read the riot act" to officials whose actions he said were threatening to break down price controls while "the nation stands on the verge of the wildest inflation in its history."

Mr. Patton accused John W. Snyder, Reconversion Director; Clinton P. Anderson, Secretary of Agriculture, and John D. Small, Civilian Production Administrator, of trying to break down Chester Bowles' policies and programs in the Office of Price Administration.

Mr. Anderson was the most severely criticized. In Mr. Patton's statement he is accused of raising the price of fruits and butter, of a muddled policy on eggs and threatening to raise the price of meat.

Mr. Patton said the Farmers Union wanted subsidies retained beyond June 30 and extension of the Price Control Act for one year.

**GROCERY RETAILERS' HEAD CALLS FOR REMOVAL OF PRICE CONTROLS**-Atlantic City-John E. Jaeger of Baltimore, president of the National Association of Retail Grocers, called the Office of Price Administration today an obstacle to normal peacetime operation in the food industry and asked for its immediate termination; he said in a speech prepared for delivery at a convention here of the National-American Wholesale Grocers Association, more than offsets any savings it may have effected for the public through price control.

"The major obstacle," he said, "and one which can only be removed by the concerted efforts of retailers and wholesalers of not only the food industry but all those industries affected by it and by consumers, too, is price control."

**DEMAND FOR WHEAT EXCEEDS SUPPLIES**-Chicago-The world demand for cash wheat is so large that it exceeds the available supply in exporting countries, the Department of Agriculture reports, and traders see in this statement the reason for the sudden activity in Washington last week to stimulate the movement of that grain from American farms into consumptive channels, although brokers scout intimations that bread rationing may be necessary. They are not inclined to belittle the seriousness of the general situation.

(Turn to page 2 for other items in today's N.Y. Times.)



From The New York Times, Feb. 4 (Cont.) -

**CORN SHORTAGE NOT EASED-Chicago**-No relief in the shortage in cash corn is expected by brokers during the remainder of the crop year, which will end on Sept. 31, and ceiling prices, plus permissible mark-ups are being bid for grain to arrive at any time prior to that date. However, black-market and truck operations are said to be taking a great deal of corn from terminal markets and processing plants, despite a tremendous amount of bartering whereby the country grain dealer demands scarce commodities in return for selling corn.

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**PRICES FOR COTTON ROSE IN LAST WEEK**-After moving into new high ground at the outset of last week, cotton prices turned reactionary in subsequent dealings and values lost a portion of their initial gains. At the close of trading on Saturday active futures contracts on the New York Cotton Exchange showed net advances for the week of 7 to 42 points. The largest gains were in the more distant positions.

The sharp uplift in the market at the beginning of the week was attributed to a demand influenced by general inflationary forces, efforts being made by textile interests to effect an advance in goods ceilings, an apparent improvement in the outlook for a settlement of strikes, with the Ford and Chrysler settlements appearing to set a pattern, and growing prospects of an improvement in the export trade in the staple. Also tending to stimulate confidence in the price structure was the advance of 13 points in the mid-January cotton parity price.

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**GRAIN TRADING IN CHICAGO-Chicago**-Trading in grain futures on the Board of Trade last week was the smallest in several weeks. As wheat, corn, barley, May oats and the deferred deliveries of rye are selling at ceiling prices, speculative interest was materially restricted. Trading in wheat futures on Wednesday was only 177,000 bushels, said to be the smallest on record. Sales of all grain futures aggregated 89,513,000 bushels or a daily average of about 15,000,000 against average of 23,500,000 the week before and 17,300,000 a year ago.

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From The New York Herald Tribune, Feb. 4 -

**THE ISSUE OF PRICE CONTROL-Editorial**-Chester Bowles, head of the Office of Price Administration, is expected to seek from Congress this week authority for the continuance of the life of that agency beyond its expiry date of June 30, 1947.

Ever since V-J Day the wisdom of the rigid price-control philosophy of Price Administrator Bowles has been seriously questioned by those who felt that, as administered by Mr. Bowles, price control was, in effect, not price control at all, but profit control. But from the time that President Truman abandoned his original post V-J Day wage policy, under which wage increases were to be confined to cases where they did not involve price increases, Mr. Bowles's position has become increasingly untenable. In some quarters the cooling of the Administration toward Mr. Bowles's price views has been ascribed to the fact that "business-minded" advisers of the President have attained a more dominant position in his policy-making council. The issue is no longer one which concerns the OPA alone. The issue is whether we are to continue an unco-ordinated price control system under which an agency of the government is charged with holding the price line while at the same time other agencies can, and do, pursue policies which operate both on the demand side (through increased purchasing power) and on the supply side (through increased labor costs) to produce inflation.

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From the New York Journal of Commerce, Feb. 4 -

TRUMAN PLAN LIFTS PRICE-WAGE 'LINE', Washington - A new wage-price policy which will lift the economy to a higher "line" on wages and prices is under active consideration for immediate adoption at the White House, it was learned tonight by The Journal of Commerce.

The new policy, yet to be worked out in detail, outlines the following principles: 1. Wages are to be increased by a stated percentage.... 2. Price increases are to be granted "where necessary" to compensate for the wage increases. 3. The Government formula for raising wages, if a formula is adopted, may be the 17.1 per cent suggested by the White House as a fair settlement of the steel wage issue. 4. Wages will again be controlled by the Government, in that wage increases will be considered as cost increases only up to the amount of the stated percentage.

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CANNING INDUSTRY WILL SEEK TO BROADEN FOREIGN MARKETS, Atlantic City - Broadened world markets for American canned foods will be a major objective of the canning industry during the next few years. This is the belief of canners here for the annual convention of the National Canners' Association.....

Domestic demand, it is indicated, will readily absorb 1946 canned food packs, and many processors and distributors believe that this condition will continue at least through 1946.

Notwithstanding this favorable outlook on the home front, however, canners will lose no time in moving to establish themselves in export markets.....

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BURLEY TOBACCO SALES RESTORED TO OLD BASIS, Lexington, Ky. - Burley tobacco sales throughout the burley belt will be restored to four hours daily beginning Monday, a special burley sales adjustment committee voted here over the week-end. E. J. Cline, supervisor of Federal Inspectors and chairman of the committee, said the change back from the three-hour-daily sales was made because the tobacco redryers had overcome congestion, and now were in a position to handle leaf from the longer sales.

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FREE SUGAR FLOW - With the price increase for sugar, definitely established, any hitch in the movement of new crop Cuban raw sugar into ultimate consuming channels is now out of the question. The 1/2c a pound increase will reduce subsidy payments by that amount, and with the use of 3/4c a pound duty by CCC for subsidies, that agency will be living within the law in not selling the commodity at a loss. The alternative to the price increase would have been an increase by Congress in subsidy payments.

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SHORTAGE OF WHEAT CURBS FLOUR OFFERS - The scarcity of wheat was the all-absorbing topic in flour milling circles and despite Government plans to obtain more from the country there was widespread pessimism regarding the success of such efforts unless they are accompanied by price incentives.

As a result, mills were doling out flour in meager quantities and, in the majority of instances, were refusing new business. There were indications that a number of mills already had sold more flour than could be covered by wheat on hand or contracted for, and despite Government pressure on them to offer for relief and military needs these mills were expected to remain out of the market.

From the New York Wall Street Journal, Feb. 4 -

THE TEXTILE SITUATION - The long-run demand for textiles can be maintained at 20% or more above the 1935-1939 average if the textile industry cuts production and distribution costs and continues to improve its products according to a report prepared for the Textile Foundation and the Textile Research Institute.....

The report urges manufacturers to invest strongly in modernization to invest strongly in modernization of plants and machinery, but recommends maintenance of a liquid financial position and avoidance of over-expansion....

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COTTON CONFERENCE - Cotton manufacturers and Federal agencies will meet within a few days to find out what textile production is declining while many store shelves are bare of cotton goods, Secretary of Agriculture Clinton P. Anderson said.

Manufacturers will be asked to meet officials from the department, O.P.A. and the Civilian Production Administration to seek a way to break the bottleneck, Mr. Anderson told the Association of Cotton Textile Merchants of New York.

"On the one hand is a great demand for cotton goods -- so great that many store shelves are bare and many people cannot buy the cotton clothes they want," the Secretary said.

"On the other hand is a great supply of raw cotton, a supply that isn't going to do the country any good until it is worked into the many needed articles.

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CANADIAN WHEAT EXPORTS RISE, Ottawa - Canada exported 176.5 million bushels of wheat flour during the first five months of the crop year which ends July 31, 1946, against 118 million bushels in the corresponding period of the last crop year, according to the Dominion Bureau of Statistics....The greatest increase occurred in overseas shipments....The estimated remainder on hand January 1 for export during the remainder of this crop year and carry-over at July 31 totaled 237.8 million bushels, less than half the balance at January 1, 1945.

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AMERICAN AGRICULTURAL CHEMICAL - American Agricultural Chemical made a good showing in the six months ended December 31, for which it reported 71 cents a share against 55 cents in the preceding year....In view of the large demand for fertilizers both here and abroad, there is good reason to think that American Agricultural will have a record 1946 season. The only adverse factor is a possible shortage of nitrates. This shortage is accentuated by the steel strike which closes the coke ovens which supply ammonium sulphate, a major nitrate raw material. However, the chances are that this will not retard sales to a serious extent..

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From The Journal of Commerce, Jan. 31 -

**MORE PATCHWORK-Editorial**-Government devices for solving the troubles of industry seem to have fallen into disrepute with their one-time admirers.

The CIO union involved in the packinghouse wage dispute, for example, has given notice that it will not necessarily accept the decision of the government panel now hearing the controversy. Together with both the AFL and CIO unions' cool reception to government seizure of the plants, this recoil from the administration suggests perhaps that the union is feeling the icy breath of the government bureaucrats on its neck. Management can be sympathetic, to say the least.

Fact-finding panels appointed by an administration pledged to increase income for the purchase of goods which it seems bent on not having produced, are obviously not likely to provide management's answer to the price adjustment called for by any increase in wages. Actually, the union, whose avowed purpose is solely an increase in wages "no matter what," should welcome the decision of such a body. To do so, of course, would shake the union's self-assumed prerogative of breaking contracts at will. This the union cannot afford to do if it is to continue demands for wage increases while production is restricted.

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From The Chicago Journal of Commerce, Jan. 31 -

**U.S. PUTS RELIEF WHEAT BURDEN UP TO FARMERS**-Washington-Clinton P. Anderson secretary of agriculture, today shifted the burden of fulfilling United States' promises to supply 6,000,000 tons of wheat to starving foreign nations in the first six months of the year squarely on the shoulders of the United States farmers when he disclosed a program of direct appeals to growers to market farm-held stocks immediately.

This last-resort method of attempting to meet the quota was interpreted here as tantamount to admission that the 1,000,000 ton a month figure cannot be reached. It was not thought by either public or private grain experts that the growers would heed the call.

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**SUBSIDY PUSHERS PLAN BIGGER DOSE OF SOOTHING SYRUP**-By Wilbur J. Brons- The drive for continued food subsidies, presaged by the President's combined budget and state-of-the-nation message, is now under way, gathering steam as it goes.

Even before the President's message, his "reluctant conclusions" that such payments must be continued was foreshadowed. A \$24,000,000 annual subsidy for coffee was adopted and a \$200,000,000 program for eggs was announced as impending.

Rollback subsidies are like all the other fiscal soothing-syrups doled out of government in an effort to avoid facing unpleasant political facts. The more we get, the more we need. The joker is that if the consumer doesn't pay in the form of higher prices, the taxpayer pays in the form of higher taxes or everyone pays by reason of an unbalanced federal budget which requires more and more monetary white rabbits every day. Every new white rabbit puts the federal government a little deeper into the business of controlling the daily life of every individual.

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From The Northwestern Miller, Jan. 29 -

MOVEMENT OF FARM STORED WHEAT TO MARKET VARIES OVER NATION-Chicago-Wheat growers are not exhibiting any sustained rush to move their wheat from the farm to market, a survey of millers located in wheat producing areas has disclosed. The movement to market was pronounced shortly after the first of the year but it appears to have tapered off.

One popular explanation in the closing months of 1945 was that farmers were holding their wheat in order to make sales in 1946 under the more favorable income tax provisions.

Considerable quantities of wheat were sold out of elevator storage immediately after Jan. 1, but there has been no increase in the movement of wheat off the farms.

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From The New York Times, Feb. 1 -

NEW CULTIVATOR READY-Quantity production of the flame cultivator is now in progress and will be available in reasonable quantities for the 1946 cotton crop and other farm products, according to the joint announcement yesterday by Irl A. Daffin, president of the New Holland Machine Company, New Holland, Pa., sole American manufacturers and distributors, and Atherton Richards, president of the Fijelen Research and Development Company, under whom the equipment has been tested and developed.

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From The New York Herald Tribune, Feb. 1 -

SHIRT 'HOARDING' DENIED AS MOVE FOR PRICE RISE-Civilian Production Administration charges that manufacturers of shirts are "hoarding" their production to wait for higher prices were disputed yesterday by Max Lovell, secretary counsel of the National Association of Shirt and Pajama Manufacturers. Withholding of goods, he emphasized, was done entirely to conform with the maximum average price regulation of the Office of Price Administration.

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From The Northwestern Miller, Jan. 29 -

ODT PLANS TO ORDER BOXCARS TO NORTHWEST FOR WHEAT MOVEMENT-Seattle-The Office of Defense Transportation has promised to issue an order calling for delivery of 300 boxcars per day by eastern rail lines to the Pacific Northwest for the next 30 days. The assistance will be granted to expedite movement of government export wheat out of Pacific coast areas.

Fred Keiser, ODT representative, held meetings in Portland last week with grain exporters, millers, feed manufacturers, steamship officials and stevedores at which the government wheat export program was outlined. He said that the government proposed to ship 8,000,000 bus per month out of Pacific ports in the coming three months.

Mr. Keiser assured the trade groups that wheat needs for millers and feed manufacturers would be taken care of under the government program.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From the New York Times, Feb. 5 -

BOWLES REVAMPS WAGE-PRICE POLICY-Washington-Early settlement of the steel strike and other wage disputes will depend upon how far President Truman backs Chester Bowles in a new wage-price policy that the Price Administrator is now formulating, it is generally believed in informed circles. Mr. Bowles, who spent an hour with President Truman is understood to be opposed to any price adjustment for steel or any other industry on the basis of "exceptionalism." He favors a new policy that will apply to every case, believing that otherwise a chaotic situation and danger of inflation will be made inevitable.

The formula that Mr. Bowles is now preparing will be laid before the President in the next day or two. If it is acceptable the steel strike may be halted by the end of this week, the third week of idleness for 750,000 workers.

U. S. FOOD REACHING VIENNA JEWS-Vienna-Vienna's badly undernourished Jews were receiving postcards today informing them that, for the first time in six years or more, the Jewish community as a whole was going to be able to really eat. Sources close to the Jewish community organization disclosed that American Joint Distribution Committee representatives here, working under the auspices of the United States Army had finally overcome all transportation difficulties.

On Thursday the committee will begin to hand out food packages containing 35,000 calories each to the semi-starved Jewish residents in non-American zones and smaller packages to the better-fed Jewish residents in the American zone. The latter had already received some aid from the American Red Cross.

HIGH COURT BACKS OPA ON STATE PRICE RULE-Washington-The Supreme Court ruled in a seven-to-one decision today that sales by State and local governments are subject to OPA "ceiling" prices. Justice Black delivered the court's majority opinions in cases arising in Washington and Idaho. Justice Douglas dissented in each instance, and Justice Jackson did not participate.

The Idaho case revolved about the sale of a used tractor by Twin Falls County to William C. Hulbert. He bid \$1,500 but the OPA held that he pay no more than \$723. When the Idaho Supreme Court ruled that OPA "ceiling" did not apply, the Price Administrator, Chester Bowles appealed.

CHICAGO GRAIN REPORT-Chicago-Official comment that stocks of grain in this country were limited and assertions that consumption would have to be curtailed were made light of by grain brokers, who said the entire trouble was lack of box cars to move the grain from the interior into consumptive channels. They contended that the net result of the statement of a shortage would be to have farmers hold back grain to a greater extent than heretofore. However, there was a disposition to go slow in taking a stand on either side of the oats market pending further developments in Washington.

(Turn to page 2 for other items in today's N.Y. Times.)



From The New York Times, Feb. 5 (Cont) -

**COTTON RESUMES AN UPWARD TREND**-Somewhat less hedge selling and an increase in price fixing, caused a resumption yesterday of the upward trend of cotton futures on the New York Cotton Exchange, and closing prices were 11 to 30 points net higher than Saturday's final levels with the distant months relatively stronger than those close by.

The buying was inspired by the belief that the price-wage policy of the Administration would be revised this week to permit higher wages, and somewhat higher prices for all industries. There was also buying on the report from the International Textile Commission in Tokyo that will permit importation of 340,000 short tons of cotton this year starting April 1, into Japan, divided into 200,000 short tons for internal consumption and 140,000 tons for export.

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**U. S. INDICTS 17 IN N.Y. TEXTILE INQUIRY**-Making its first report since it was impanelled on Dec. 12 to delve into the black market in textiles, a special grand jury handed up yesterday seventeen indictments to Federal Judge Alfred C. Cox, naming as defendants sixteen individuals associated with the textile industry and the operator of a check-cashing business.

While the Government reportedly is preparing to prove transactions that netted illegal profits of more than \$500,000, United States Attorney John F. X. McGohey declared the investigation had indicated that the defendants may have realized \$3,500,000 from sales above ceiling prices.

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**WAGES AND INFLATION**-Editorial-The present wave of wage increase may be welcome in so far as they restore production and industrial peace. But we should not forget that they are none the less inflationary in effect, whether or not the employer in each case is permitted to raise the price of his products. The purchasing power of wage earners in many cases will be raised above their wartime peak, especially since income tax withholdings have been somewhat reduced and bond purchases will be smaller. As a result there will be a scramble to purchase consumers' goods of all sorts, while at the same time the low profits or losses of producers who are squeezed between high wages and low price ceilings will slow down the flow of consumers' goods to market. The result may be to bring what has rarely happened before--rapid price inflation combined with unemployment in important sectors of the economy. That this result is not altogether impossible here is shown by its present existence in many countries in Europe, where the effects of monetary inflation on the one hand conflict with those of price control on the other.

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From The Wall Street Journal, Feb. 3 -

**AGRICULTURE SECRETARY ANDERSON** has asked the Chicago Board of Trade to "limit or discontinue" further trading in May rye futures. He contended the trading being done seemed to have little connection with actual marketing of the commodity.

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From the New York Journal of Commerce, Feb. 5 -

GREATER FLEXIBILITY OF FOOD CURBS DUE, Atlantic City - A more flexible control program for foods, "in tune with the times, alert to the changing problems of the transition period, and courageous enough to uphold our standards without fear or favor" was pledged here today by Geoffrey Baker, Office of Price Administration.

Speaking before the opening general session of the annual meeting of the National-American Wholesale Grocers Association Mr. Baker urged the food distributing trades to support a policy of gradual relinquishment of food price controls as a means for preventing "the disaster that over-took wholesalers in 1920".

OPA, the speaker pointed out, has already launched its decontrol program in foods, with many processed products of minor nature already freed from ceilings.

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GRAIN RESTRICTIONS CUT LIQUOR OUTPUT - Continued Government restriction on use of grain for beverage distilling and a severe shortage of cooperage has permitted only modest rebuilding of depleted whiskey inventories, according to a report issued yesterday by the Allied Liquor Industries, Inc.

Distillers have been able to add only 5,000,000 gallons to aging whiskey inventories from August to December, although average monthly withdrawals exceed that figure, the report said.

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FARMERS REQUIRE STABLE PRICE LEVEL, Atlantic City - Farmers and the food industry will avoid a smash-up only if the general price level remains stable and severe unemployment is avoided, W. I. Myers, dean of the College of Agriculture at Cornell University, said today.

Addressing the opening session of the National Cannery Association convention here, Myers said that "the violence of the readjustment in agricultural prices depends on the trend of the general price level over the next few years, and, if it declines, farm prices will fall faster and farther....."

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SEES GRAIN CEILINGS AS SHORTAGE CAUSE, Buffalo, N. Y. - "The only answer to the current grain shortage is removal of OPA ceilings," E. W. Stuhr, a vice president of the Co-operative Grange League Federation, Inc., said today.

"This would cause an immediate rise in prices, but it would start a tremendous amount of grain moving to market, and in due course the old law of supply and demand would be in operation to level off the situation.

"I now find it impossible to buy a carload of wheat, oats, corn or barley a situation I have never faced before in 45 years in the grain business."

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OPA REJECTS RISE IN CASEIN PRICE, Washington - No increase in the present ceiling price of casein is warranted on the basis of information submitted by the Casein Importers' Association and the domestic producers and handlers of this commodity, OPA said today. Casein--a skim milk product--is used mainly in the manufacture of paper and adhesive products.

(For other items from today's N.Y. Journal of Commerce turn to page 4) - - -



From the New York Journal of Commerce, Feb. 5 (Cont.) -

COTTON PRICES UP - Cotton prices rose sharply yesterday at the New York Cotton Exchange with maximum gains of \$1.60 cents a bale, and new seasonal highs in all 1946 deliveries. The close was steady 11 to 30 points net higher.

Trade and commission house demand after the market opened 11 to 15 points up brought the list to its peak before noon, when hedge selling in the near months and profit taking temporarily halted the advance. After fluctuating in a rather wide margin during the afternoon with occasional setbacks, the list closed steady at or near the best levels of the day....

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From the Baltimore Sun, Feb. 5 -

WHITE BREAD AND THE WORLD WHEAT SHORTAGES - Editorial - Shortages of the basic food and feed grains have brought quick repercussions among the Government food planners. Talked of, though not yet formally adopted, is a plan to improve the flour yield of wheat by resorting to a so-called long-extraction milling process.....

The fact is that flour bleached to the degree of whiteness now fashionable in the commercial bread trade loses in the bleaching process some 30 important nutrients supplied by the unprocessed wheat.

Such losses are admitted by the trade and by the Government in the wartime bread "enrichment" order. This provided that artificial vitaminic substances, plus iron, be added to the bread mix in compensation for some of the nutrients lost in high-refinement milling....

It is nevertheless true that the dark-flour milling being discussed in Government circles would make a given volume of wheat go farther. The resultant flour and bread might also be more nutritious even than the so-called "enriched" white bread of the wartime programs....

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..... BROME GRASS AID IN EROSION BATTLE, Fairview, Kan. - Gold medals are awarded for grass-growing in these parts, to spur the ceaseless fight against soil erosion.

A tenant farmer and a little-known grass share the new championship honors.

Farmer Alonzo Lambertson now possesses a gold medal, a silver trophy and \$100 in cash, besides the 100 acres of brome that won him the year's grass-growing championship....

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From the New York Herald Tribune, Feb. 5 -

BETTER BREAKFAST DRIVE OPENS IN CONNECTICUT - Every one in Greenwich, Conn. and on both sides of the New Haven railroad tracks is being filled to the chin with breakfast this week. That's but half the stuffing—men, women, and children will be hearing all their heads can hold, seeing all their eyes can see, on the subject of the bigger and better breakfast menu.

The annual food business this year will total more than \$20,000,000,000. Yet surveys indicate that people are eating but one-fifth of their daily food at the breakfast hour, (it really should be one-fourth to one-third), making the total breakfast sales volume about \$5,000,000,000.

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From The New York Times, Feb. 3 -

**REPORT FROM THE NATION**-Central States-Labor and Price Needs Stir Worry Among Farmers-Chicago-Labor shortage, price controls and subsidies, nation-wide strikes and the dangers inherent in rising farm-land prices are among the chief worries besetting farmers of the Central West.

The labor shortage "is worse than it has been at any time," reports The Corn Belt Farm Dailies, organ of the livestock industry, which observes that "the farmer is not able to compete with industry for men, and, anyhow, the farmer can't operate on a forty-hour week."

"On top of that is the uncertainty arising from the continuation of price controls and subsidies," the paper adds. "Will they end, and if so, when? Such questions can't be answered, for the final decisions will be up to Congress. But it makes a whale of a difference to the farmer what is done. In fact, he is completely symied in his planning." Midwest States-Protective Tariff Talk Rise Again Among Farmers-Omaha-Stilled during the war, the protective tariff breeze is again gathering strength through the Midwest Farm Belt.

Sentiment has not yet solidified and not everyone who talks about a tariff calls it by name. But there is growing reference to the need for protecting farm prices from ruinous world competition once the post-war boom demand eases off.

The need is not regarded as immediate. Farmers are prosperous now and various stabilization measures should assure continued prosperity for at least two more years. But the Midwest farmer is frank in saying he will insist on retaining a long-range prosperity at least comparable with the national economy generally.

Protection for that continued prosperity might take the form of permanent subsidies. Subsidies are unpopular, however, with a host of farmers who associated them with bureaucratic red tape and a loss of personal liberty.

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**SUBSIDY PROGRAM**-Editorial-Mr. Truman has asked for a continuation of food subsidies after June 30, 1946. He proposes that this extension "should be tied down specifically to certain standards." The standard suggested is that "subsidies be removed as soon as it is indicated that the cost of living will decline below the present levels." However, in other sections of his recent message the President emphasized that "the inflationary pressures on prices and rents with relatively few exceptions are now at an all-time peak."

Under these conditions it would seem that no reduction in subsidy payments is to be expected on the basis of the standard suggested for their removal. It is estimated that if all food subsidies were removed, the cost of food would rise 8 per cent and the cost of living would rise 3 per cent. The President states that "if prices of food were allowed to increase by these amounts \*\*\*it would become extremely difficult for us to control the forces of inflation." Does not this statement confuse the causes and effects of inflation? The payment of subsidies is clearly more inflationary than a 3 percent rise in living costs would be, because subsidy payments add to the inflationary pressures by increasing the magnitude of the Government deficit.

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**DROUGHT PREVAILS IN NORTHERN INDIA**-New Delhi-Dispatches from Washington and London suggesting that those capitals were closely studying India's food problem had a heartening effect in this capital today. Nonetheless, real concern over the prospect of famine in a considerable part of India continues to exist among well-informed persons, including Viscount Wavell, the Viceroy.

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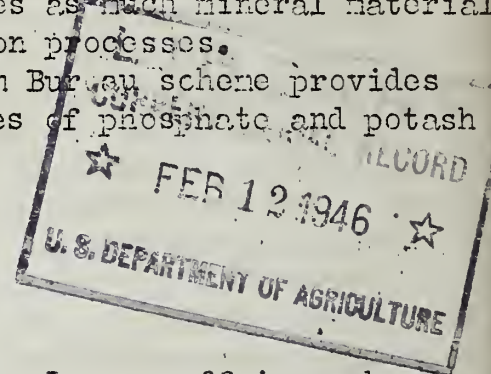
From The Baltimore Sun, Feb. 3 -

**A NATIONAL FERTILIZER PROGRAM FOR TIRED SOILS**-Editorial-The need for a national conservation program has long been recognized and much work is already being done. Now bold plans are being pushed for a national program of fertilizing lands not yet lost but on the way to lower productivity.

Representative Flannagan, of Virginia, chairman of the House Agricultural Committee, is the proponent of a bill looking to this national fertilizer program. A similar bill is backed in the Senate by that veteran and professional friend of the farmers, Senator Bankhead, of Alabama. What to the initiated is more impressive is that the American Farm Bureau Federation, spearhead of the farm bloc is solidly in back of the Flannagan-Bankhead program.

Why? Because the soil situation in the United States is indeed a serious one. Despite various soil conservation programs already under way, it is calculated that erosion still sends 3,000,000,000 tons of topsoil down into the rivers in the form of silt every year. This erosion removes vital soil minerals at a rate of twenty times as fast as similar minerals are used by plant life. Mr. Flannagan figures that each year we mine out of the soil five times as much mineral material as we put back in by various fertilizing and conservation processes.

To meet this situation, the Bankhead Flannagan-Farm Bureau scheme provides for a congressional policy of conserving natural reserves of phosphate and potash primarily for agriculture.



From The Commercial Appeal, Jan. 30 -

**INSECT CONTROL PAYS CASH TO COTTON FARM**-Insect control pays off in cash, Alston Clapp Sr. of Houston, Texas, has insisted for a long time. Last week at the National Cotton Council meeting he was pressing for insect control. As evidence to support his claims he submitted a report by Dick Haughton, Jr., executive vice president of the Cotton and Cotton Oil Press, Dallas, of tests made near Waco last year.

Briefly, the story is this: A field of 30 acres was planted in cotton on 36 acres was treated to control insects, while the remaining two acres went untreated.

The net result was that a cost of \$10.25 an acre for insecticides and application brought a net profit of \$59.78 per acre above the profit on the untreated part of the field.

From The Kansas City Times, Jan. 30 -

**HOW MUCH CONTROL?** - Editorial-The administration is urging Congress to act at once for the extension of price and rent controls beyond the present expiration date of June 30. The obvious desire is to remove uncertainties as to future control policies in the belief that this will hasten reconversion and increase the output of goods now scarce. It undoubtedly would have that effect if the control were adjusted in the light of realities and not maintained through the use of rigid and arbitrary methods. Despite a mounting storm of protest over this control there are few members of Congress, Republicans or Democrats, who believe it would be safe to throw it off completely even with the end of June. Prompt action on the future of control therefore is in order. But it cannot be simply an extension. That evidently is realized by the administration. Senate Majority Leader Barkley says it is willing to release some of the price control authority in order to obtain the year's extension. The immediate question is, how much of the control should go and where should the line be drawn? In general it is believed that control can safely go where rationing and priority restrictions have been removed.



(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 6 -

**BRITAIN SLASHES RATIONS IN CRISIS**-London-The people of Britain were stunned tonight to hear from their Minister of Food, Sir Ben Smith, over the radio and through Parliament that because of grave food shortages throughout the world their butter and fats ration was to be cut, their bread was again to return to the dark wartime loaf and their livestock production was to be decreased, with the loss of bacon, poultry and eggs.

One after another the harsh items of news came from the Minister who told Britons that the bitter fruits of victory were that they and almost every nation in the world must have less to eat now than in the darkest days of the war.

The situation is so serious that Foreign Minister Ernest Bevin summoned the leaders of the Big Five delegations to the United Nations Organization to the Foreign Office this afternoon to plead with them to get the UNO to take action to alleviate the world-wide distress.

**U. S. EXPECTS TO KEEP PLEDGE ON FOOD AID**-Washington-An official source indicated tonight that this country would guarantee to do its full share in easing the threat of widespread starvation abroad, even if it meant more belt-tightening by Americans.

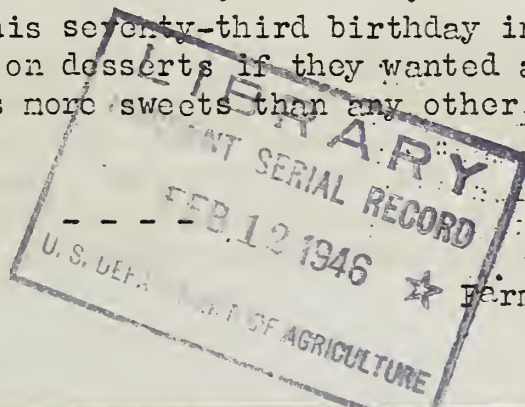
This was understood to be one of the major decisions reached by President Truman and his Cabinet today at an hour-long meeting.

The White House, it was indicated, probably will issue a general statement tomorrow assuring Europe and Asia that the United States will make every effort to meet its food relief commitments. This country has set a goal of 6,000,000 tons of wheat and flour for Europe by July 1.

**PENALTIES IMPOSED FOR BLACK MARKET DEALINGS IN ONIONS**-The black market in onions has developed a fraternity among the racketeers in New York, it came out yesterday in the War Emergency Court, when one of them, about to start a ten day jail sentence term in addition to paying a \$500 fine imposed by Magistrate Charles E. Ramsgate, peeled \$10 from his "roll" to save another from a similar term.

**DR. HEISER DECRIES EATING OF DESSERTS**-Dr. Victor G. Heiser, author of "An American Doctor's Odyssey" spent his seventy-third birthday in New York yesterday urging American women to cut down on desserts if they wanted a smart figure and a long life. This nation consumes more sweets than any other country in the world, he pointed out.

(Turn to page 2 for other items in today's N.Y. Times)





**FRENCH FRIED POTATOES IN FROZEN FORM**-The New York market has become a testing ground for a new frozen food that soon will have national distribution if consumer acceptance continues as favorable as it has been so far. The product is French fried potatoes, processed and packed by the Maxson Food System, Inc., and now available at a dozen or more stores in the metropolitan area.

The potatoes are the first frozen foods to be released in individual packages by Maxson, which is the company that has been producing complete blue plate meals, partly pre-cooked and quick-frozen, for the Naval Air Transport Service during the war. Sky Plates, as they are called, are not yet ready for civilian use.

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**TRADING IN COTTON IS SPOTTY IN DAY**-Following somewhat irregular fluctuations yesterday, the cotton futures market on the New York Cotton Exchange closed 1 point higher to 7 points lower. The reactionary trend was partly attributed to the uncertainty regarding the wage-price policies of the Administration. Some attributed to the belief that some of the Government cotton being sold will find its way into the futures market.

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**MAY RYE OFF LIMIT FOR DAY'S TRADING**-Chicago-Scattered liquidation developed in May rye today on the Board of Trade as a result of a statement by Secretary of Agriculture Clinton P. Anderson in Washington last night that he had asked the Exchange to curtail or eliminate trading in that future. The price broke 5 cents a bushel soon after the opening, only to rally 4 cents and then turn downward again late in the session and close at the bottom, off the limit for one day's trading.

Oats eased early with rye, but under aggressive buying the active figures closed unchanged to 3/8 cent up. No change was shown in wheat, corn or barley. May oats and the deferred deliveries of rye held at ceiling prices.

However, traders watched the ticker closely for possible information as to the Cabinet meeting in Washington at which the domestic and world wheat situation was said to have been discussed.

A shortage of 165,000,000 bushels or more of wheat, compared with requirements of importing countries, was estimated by Sir Ben Smith, British Food Minister. Dust storms were reported in western Oklahoma, Kansas and Nebraska, although the latter also reported 6 to 8 inches of snow, with blizzard conditions at some points.

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**MEETING IS CALLED ON WHEAT SHORTAGE**-St. Paul-M. W. Thatcher, St. Paul, president of the National Federation of Grain Cooperatives, today called the nation's major grain cooperatives to an emergency meeting in Chicago on Feb. 8 and 9 to discuss the wheat shortage threatening millers and the export trade.

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**U.S. NOT TO SUPPORT FOOD PACK IN 1946**-Atlantic City-Discontinuance of support prices for 1946 food packs; termination of processors' certification program; elimination of "squeezes" and provision for an increase in ceiling prices to cover the amount of subsidies in the event of their non-renewal by Congress were among Government policies announced here today by Secretary of Agriculture Clinton P. Anderson and E. F. Phelps Jr., price executive, Office of Price Administration.

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From the New York Journal of Commerce, Feb. 6 -

OPA PLANS RETURN OF BUTTER SUBSIDY, Washington - The wartime subsidy on butter will be put into effect again if the Office of Price Administration has its way.

The price agency has prepared an order which would re-establish the 5c a pound subsidy on butter and thus boost the dairy farmer's income on his scarce commodity without increasing the cost to consumers.

This order now is in the hands of Secretary of Agriculture Clinton P. Anderson.

Under an amendment attached to the OPA Extension Act last year, the Agriculture Secretary must approve any changes affecting food. Representative August H. Andersen (Rep., Minn.) authored the amendment. It is understood here that Secretary Anderson is reportedly not in favor of the proposed subsidy.

It is doubtful whether Mr. Bowles will press for action, or that Mr. Collet will attempt to decide the issue, until after the House Special Foods Investigation Committee hearings here Feb. 14 and 15. The entire dairy issue will be aired at the Congressional hearings.

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CANNED FOOD SURPLUS RELEASES TO BE SMALL, Atlantic City - Little likelihood of substantial releases of Army-held canned fruits and vegetables as surplus is in prospect, Major General Carl A. Hardigg, chief of the Army Quartermaster Corps Subsistence Branch, told the National Cannery Association here today.

Any disposals from surplus in future will be less and less in quantity, he said, adding that total stocks of canned fruits and vegetables now held by the Army are now below indicated requirements.

Buying policy on 1946 packs, although not yet formally decided, may call for purchases by negotiation, General Hardigg declared, but if the shortage of fruits and vegetables remains unrelieved, some form of allocation may be looked for.

Purchases, he said, will probably be made on a bid and award basis.

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REFINED SUGAR TO ADVANCE, Washington - Maximum prices of direct-consumption cane and beet sugar will be increased  $\frac{1}{2}$ c a pound and those of raw cane sugar .455 of a cent a pound on Feb. 10, the OPA announced today.

This will result in an increase in retail ceiling prices for refined sugar of a little more than  $\frac{1}{2}$ c a pound. The action will not result in any additional income for cane sugar refiners since the increase cost of raw sugar offsets the entire price increase for refined sugars.

The increases for raw and refined cane sugar are necessary to insure a continued supply of the commodity in this country, OPA said.

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WEEKLY GROCERY MARKETS - Some of the largest corn refineries still were closed down as a result of strikes while others were operating on limited schedules owing to inadequate corn supplies. Requirements of all corn products were heavy and while country marketings have improved recently these still had yet obtained sufficient volume toarrant hope of any early and sustained improvement in output. All fancy cheeses were in limited supply and the demand active with little prospect of any easing in this situation before spring. Distributors were doling out supplies to as many buyers as possible in order to stretch the supply, but were able to satisfy only a small part of the demand which has received added impetus from the extreme scarcity of Cheddar. Farm Digest 245-46-3



From the New York Journal of Commerce, Feb. 5 (Cont) -

COMMODITY TRADERS TALK WITH TRUMAN, Washington - Officers and directors of the National Association of Commodity Exchanges talked briefly today with President Truman.

Former Senator Samuel D. Jackson (Dem., Ind.), governor of the Associated Commodity Exchanges, who headed the delegation told reporters it was largely a "handshaking call."

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LINSEED OIL LACK HELD MORE ACUTE. - No hope for early improvement in supplies of linseed oil was expressed yesterday by spokesmen for the hard surface floor covering industry.

Market observers confirmed the exceedingly tight situation and on the basis of supplies now in sight, estimated production for this year at about 42 per cent of normal.

Current allocation of linseed oil to the hard surface floor covering trade is 75 per cent of the average usage in the corresponding quarter for 1940 and 1941. Industry spokesmen state that, while permission has been given to secure the oil, it is becoming increasingly difficult to obtain the quotas permitted....

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LARGER SUPPLIES TO AID PACKERS - Increased supplies of meat available to civilian consumers this year coupled with the outlook for higher meat prices within the system of price control provide better prospects for meat packing concerns than were evident several months ago, according to advices from Chicago sources yesterday.

The narrow margin of profit on which meat packing companies operate makes earnings very sensitive to changes in wage costs, and even more so in live stocks costs. Increases in wage costs are a foregone conclusion, but to what extent is not apparent yet beyond the broad indication of 15 percent rise said to be waiting approval as a national wage policy.

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From the Baltimore Sun, Feb. 6 -

FOOD PRIME PARIS TOPIC - Paris - Today's revised plan for reducing the French national deficit, the reported attack in a Moscow magazine against Leon Blum and his French Socialist party, and the threatened recurrence of a Paris newspaper strike appeared this afternoon to have failed to impress the Frenchmen-in-the-street.

He was still concentrating, according to French observers, on food and the franc, and war regarding the present government as stop-gap.

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From the New York Wall Street Journal, Feb. 6 -

EGG CASE PRODUCERS GET PRICE INCREASE, Washington - The Office of Price Administration granted price relief to producers of egg cases in keeping with a Department of Agriculture request. The increase amounts to about 10% on egg cases made from all kinds of lumber, with the new ceiling set at 35 cents. On veneer sides, tops and bottoms the increase amounts to about 20%, with the new price 16½ cents for the set.....



From The Des Moines Register, Feb. 1 -

SPOTS HIGHER ON IOWA HOGS-Interior Iowa and southern Minnesota hog markets were mostly steady Thursday but spots were 10 to 15 cents higher.

Receipts were liberal again, but under previous days of this week. The number during the first four days of the week was the heaviest for this marketing season.

The run Thursday totaled 60,000 head compared with 15,600 a week ago and 27,000 a year ago. The count for Friday morning was expected to be some under Thursday's.

All interests continued to limit the number of hogs which they would receive since most interests have an adequate supply on hand for immediate needs. Stormy weather in some sections tended to slow the movement.

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OPA HOLDS CORN 'TIE-IN' SALE ILLEGAL-The Iowa OPA office Thursday said it considered a trade of scarce corn for scarce nylons, tires or new cars as illegal.

Corn is extremely short, due principally to poor quality of the 1945 crop.

The trade practice is not of goods for goods, but involves a deal where the man having corn will not sell it unless he can buy, in return, some other scarce article.

The practice was revealed Wednesday by President Charles H. Wright of the Omaha, Neb., grain exchange.

"It's going on all over the country, apparently with OPA approval," Wright said.

According to these rates, this is what you must obtain and sell in order to buy corn in carload lots:

Eight pairs of nylon hose for one car of corn; one new tire for two cars; a new Ford for 50 cars; a new Cadillac for 100,000 bushels (more than 50 cars); a case of Scotch whisky for five to six cars; a car of steel posts for five cars; three white shirts for one car; one car of coal for two of corn; one car of soybean meal for five cars; one car of linseed meal for five to seven cars; one car of meat scrap for 15 cars, and one car of cotton seed meal for eight cars.

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From The Davenport Democrat and Leader, Feb. 3 -

MORE '\$% CORN REQUIRED TO FATTEN HOGS THAN IN A NORMAL CORN YEAR-Des Moines-Iowa farmers have found it takes from 30 to 35 per cent more of their 1945 corn to fatten a hog than it did in good corn years.

The result is a growing shortage of corn and a sharp increase in black market operations, agriculture and OPA officials said Saturday.

"On the average, it takes from 30 to 35 percent more of the 1945 corn crop to feed a hog than it did in the years of good corn," said secretary of the Iowa Swine Producers' Association. "In some cases it takes 50 per cent and more to get the same gain."

This is because, he explained, a large part of Iowa's 1945 corn crop was soft and high in moisture content. In some cases, where the moisture content was exceptionally high and the corn froze hard, he added, hogs have refused to eat it. Pemberton said there was a shortage of corn in all sections of the state due largely to the fact the hogs are eating more than usual. The shortage will become acute next summer and in the early fall, before the 1946 crop is ready, he predicted.

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From the Kansas City Star, Feb. 1 -

LIBERAL RUN OF SHEEP - Estimated salable receipts of 5,000 sheep at the Kansas City stockyards were unusually heavy for a Friday, reflecting today's advance in the federal subsidy to feeders. Increased receipts also were anticipated for next week.

Trade closed moderately active, after a slow start. Prices of lambs, however, were mostly 15 to 25 cents lower, with some sales off more. Slaughter ewes were generally 25 to 50 cents lower.

Good and choice veal calves sold at \$14.50 to \$16 and medium and good calves from 30 pounds up at \$12 to \$13.50.

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From the Chicago Daily Tribune, Feb. 2 -

FARM MACHINE REQUIREMENTS REPORTED VAST - Farmers are expected to buy 1 billion dollars worth of new farm equipment in 1946 which will keep the implement industry operating at capacity if production interruptions can be avoided, Roy G. Ingersoll, president of the Ingersoll Steel division of Borg-Warner corporation, said yesterday at a meeting of directors.

Ingersoll said the division has begun a large expansion program in expectation of increased demand for discs and other parts the company supplies to important manufacturers....

"The estimate of farm machinery purchases is based on our own studies of potential markets and the observations of our customers, the implement manufacturers, many of whom Ingersoll has supplied for more than 60 years," said Ingersoll. "The industry seems agreed that despite the large expansion program it will have difficulty meeting this year's farm equipment requirements."

Most manufacturers are prepared to operate at capacity and the industry is confident it can exceed the billion dollar mark, a volume necessary to replace outmoded and worn out equipment, he said.

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From the New York Packer, Feb. 2 -

NEW CROPS AND SOIL TREATMENT TO BE DISCUSSED, Urbana, Ill. - Soils and crops will have their day during the 45th annual Farm and Home Week at the University of Illinois on Wednesday, February 14. W. L. Burlison, head of the agronomy department will preside during the morning sessions, and F. C. Bauer, professor of soil fertility, presides during the afternoon. Sessions will be held in the University Auditorium.

FARM LABOR OUTLOOK BRIGHTER IN MICHIGAN, Bay City, Mich. - The farm labor outlook in Michigan is growing brighter day by day, nearly 1,000 growers of heavy labor consuming crops were assured here this week at a meeting which was transferred from Michigan State College following the cancellation of Farmers' Week.

M. C. Henderson of Saginaw, secretary-manager of Michigan Field Crops, Inc. an organization formed to recruit labor, reported he was more optimistic over the labor outlook than at any time in the last three years. He had just returned from a trip through the south. He reported thousands of men had shown a desire to return to their former seasonal jobs on Michigan farms.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 7 -

**TRUMAN CUTS NATION'S FOOD TO FEED EUROPE**-Washington-With the warning that the entire world confronted a food crisis that might be the worst in modern history President Truman, in a statement issued today, indicated that the people of this country were facing the prospects of darker bread, less tasty pastries and far less whisky and beer so that the United States could share the burden of averting "mass starvation" in countries liberated from the enemy.

Although the President did not list the foods which are expected to come into short supply as a result of the international effort to prevent world-wide starvation, he undoubtedly meant bread, flour, bakery products, breakfast cereals and other grain products.

During the months ahead however, supplies of meats, poultry, eggs, milk and butter may show a slight increase as a result of precautions to be taken to conserve wheat through a curtailment of use of grain for feeding purposes.

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**140 MILLION IN EUROPE TO GET ONLY 2,000 CALORIES A DAY**-Washington-More than 140,000,000 persons will have to live on an average total diet of 2,000 calories a day in Europe for the next few months and about 100,000,000 will be receiving an average of 1,500 calories or less per person, according to estimates made in a report tonight by the Emergency Economic Committee for Europe.

An average of 2,000 calories is regarded as a minimum for safety. The estimates take into account all home grown and imported food supplies available or in sight.

While the study upon which the estimates were made covered only calories, adequate supplies of other nutritional elements, such as proteins, fats, vitamins and minerals which are also essential, are even a less satisfactory prospect than are calories.

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**STRIKE EMERGENCY CUTS FUEL, SHUTS SCHOOLS**-The port-wide strike of harbor carriers brought the city face to face last night with an unprecedented crisis as the Army and Navy were called upon to man the vital towboats and Mayor O'Dwyer issued a proclamation declaring a state of emergency here.

After the refusal of the towboat workers by a vote of two to one to man their vessels under Government operation, Lawrence C. Turner of the Office of Defense Transportation designated as Federal manager of the towing facilities, requested the Army and Navy to man the struck vessels.

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**BRITISH FOOD NEED POSES TRADE SHIFT**-London-Storms of protest broke today over the head of Sir Ben Smith, British Minister of Food, after his dismal announcement of the last few days about eliminating dried eggs, reducing the fats, ration, restoring dark wartime bread and otherwise adjusting the country's food supplies to the world shortage.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, Feb. 7 (Cont.) -

**RYE AGAIN BREAKS THE 5-CENT LIMIT**-Chicago-May rye broke the 5 cents permissible limit today on the Board of Trade for the second consecutive day and sold 15 cents bushel under the high of Monday as a result of scattered commission house and local selling which disclosed a lack of support in the late trading. The finish was at the bottom. In Minneapolis May rye also lost 5 cents, but in Winnipeg it rallied after being off the limit early and lost only 3 to 3 5/8 cents net. Deferred deliveries of rye, May oats and all wheat, corn and barley futures were unchanged at ceiling prices. The active deliveries of oats were firm early, but broke in sympathy with May rye and lost 1/2 to 5/8 cent.

Uneasiness over the suggestion made recently by Secretary of Agriculture Anderson that trading in May rye be restricted further or eliminated is said to have furnished the background for today's selling.

Traders continue to await developments in regard to the Government program regarding proposed exports of wheat and little interest was shown in futures, the only market transaction being in September. Cash wheat remains at ceiling prices.

The country sold 125,000 bushels of cash corn today for deferred shipment. Brokers report that considerable corn is being purchased by soft-drink and candy manufacturers who exchange the grain for corn syrup and sugar.

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**TRADING MODERATE IN COTTON FUTURES**-With a moderate volume of business, cotton futures on the New York Cotton Exchange closed yesterday unchanged to 7 points higher on the day.

Starting 4 to 13 points higher, the market sold off on hedge selling and liquidation. Private reports from the South indicated that present intentions of cotton farmers were to plant ground equal to the Department of Agriculture's goal of 20,200,000 acres. A trade paper placed present intentions to plant at 20,491,000 acres. Current ideas in the trade on this basis are that next August the carry-over will be around 8,000,000 bales, a large portion of which will be least desirable grades and staples.

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**URGE FOOD CEILINGS FOR ANOTHER YEAR**-Atlantic City-Maintenance of price ceilings on cost of living items for another year "or until supply and demand are in balance" was urged in a resolution unanimously adopted today by the National American Wholesale Grocers Association at the closing session of its annual convention here. Although asking discontinuance of controls at the earliest possible date, the group asserted that under present conditions price ceilings are necessary to avoid inflation.

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From The Baltimore Sun, Feb. 7 -

**5-NATION TALK ON WHEAT SEEN**-London-The British Government was reported in touch with the United States, Canada, New Zealand and Australia tonight on the critical world wheat situation, and an authoritative source said there might be developments by tomorrow. The exchanges were said to be on an exploratory basis so far with no definite proposal such as pooling of supplies yet drafted.

Striving to meet criticism over return to the lowest wartime food rations, Prime Minister Attlee said in Commons today that 8,000 farm workers scheduled for army induction this year would be left on the land.

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From the New York Journal of Commerce, Feb. 7 -

TRADE REACTION CRITICAL OF OVERSEAS FEEDING PLAN - Initial grain trader-action to the President's program was critical, although spokesmen generally recognized the necessity for emergency measures.....

However, they pointed out, it contains no specific program to encourage farmers to increase their marketings, without which, it was feared, the desired objective of obtaining more grain for export will not be realized. Farmers have been selling wheat in what would be considered a normal volume over the past several months, but the huge export requirements of wheat stripped marketings, with the result that the visible supply has declined at a rate of 3,000,000 to 5,000,000 bushels weekly.

The program also presented several questions to millers and bakers which remain to be clarified. One effect, millmen visualized, was the doom-ing of long established brands for the duration of the emergency through the increase in extraction which will create a darker flour.

It also was not made clear as to whether soft wheat flour, used for cake and pastry, and family flour, the all-purpose flour used by the house-wife, were to be included in the 80 per cent extraction.

The composition of rye bread also may be affected by the order, mill-men stated, as it contains a considerable percentage of wheat clears, the supply of which will be reduced by higher extraction.

Bakers were asking whether their forward bookings with mills, amount-ing in some instances to 60, 90 and 120 days, would be filled by the higher extraction flour, and already were voicing determination to fight such a development, which would tend to reduce their volume when it is badly need-ed to cushion the impact of rising costs.

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MOST FLOUR MILLS WITHHOLD OFFERS - With the exception of an occasional small lot released by mills to regular customers, there was an almost complete stoppage of activity in the flour market yesterday.

Many mills were entirely withdrawn, particularly on high gluten, and it was generally expected that bookings during the balance of the crop year will be on a limited scale, irrespective of the scope of the demand, owing to pending inventory restrictions...

It no longer was a question of shopping around for the best price but one of obtaining wheat flour.....

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NEW CUBAN CROP SOON TO END ACUTE SHORTAGE IN SUGAR - The acute phase of the sugar shortage in this country will be over in another six weeks, as the 1946 Cuban sugar crop begins to arrive in volume.

Supply and demand will not be in complete balance for another year, however, because European relief needs will take a large part of this year's Cuban crop which otherwise would be available for additional consump-tion here.

Present world shortages of sugar will not be fully overcome until 1948.

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(For other items from the N. Y. Journal of Commerce turn to page 4)

Farm Digest 255-46-3

From the New York Journal of Commerce, Feb. 7 (Cont) -

POTASH SALES HIT RECORD HIGH IN '45 - Washington - Deliveries of American potash for agricultural and chemical use reached an all-time high in 1945. This is the eleventh consecutive year in which deliveries exceeded those of the preceding year.

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SUGAR FOUNDATION NAMES NEIL KELLY - Announcement of the appointment of Neil Kelly as executive director of the Sugar Research Foundation and the resignation of Ody H. Lamborn from that post was made yesterday by Joseph F. Abbott, president of the foundation. Mr. Lamborn was elected to the board of directors, it was announced. Mr. Kelly formerly was engaged in newspaper work in New York, Washington and the Middle West, and has served as secretary-treasurer of the United States Beet Sugar Association since 1932.

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From the New York Herald Tribune, Feb. 7 -

AN ELEVENTH-HOUR FOOD PROGRAM - Editorial - The stark facts about a world wheat shortage given to the British House of Commons on Tuesday was set forth in even stronger terms by President Truman yesterday. "For the world as a whole," the President says, "more people face starvation and even actual death for want of food today than in any war year, and perhaps more than in all the years combined." The statement then outlines a nine-point program of food conservation by which this nation will endeavor, at the eleventh hour, to increase its food shipments abroad. One cannot refrain from asking why, in view of the extremity of the emergency, a food conservation program has not been in force long before this. For though the extent of drought losses cannot be estimated in a moment, the known facts on world-wide food shortages suggested the need for great food reserves long before this....

President Truman's program follows in part the pattern set for Great Britain—a pattern bleaker for that already diet-limited people than for us. First point on the program is a call for consumer co-operation to save bread. The bread will be darker, the distribution of flour will be limited to amounts essential for current civilian distribution; the Agriculture Department will maintain inventory controls to insure that a minimum is held for civilian distribution....

Now, there has never been any doubt about the American people's co-operation if convinced of the necessity of action such as this. There is no doubt about it now. They will co-operate, but not without reflection upon the eleventh-hour presentation of a program which could have been far less drastic had one been formulated and set in motion many months ago.

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REPUBLICAN NEWSPAPER CALLS FOR END OF O.P.A. - Washington - Forecasting the "doom" of the Office of Price Administration, the Republican party's official newspaper said today the price-regulating agency has been producing "theoretical crises to justify its existence."

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From the Memphis Commercial Appeal, Feb. 4 -

GROSS FARM INCOME UP \$1130 SINCE 1940 - An increase of \$1130 in the annual gross income of the average Tennessee farm family since 1940 has created a powerful buyers market for home labor saving devices, a manufacturer's survey of the market since V-J Day reveals.

Annual gross income of the average farm family in the state in 1940 was \$780, as compared with \$1910 in 1944, according to figures of the United States Department of Agriculture.

This rise in income has created new demands in rural areas for washing machines, electric refrigerators, automatically controlled central heating systems, kitchen stoves and vacuum cleaners, and analysis of the farm market by the industry shows.

The annual outlay for remodeling in Tennessee is expected to total \$4,935,000 for the next five years. This is based, according to the survey on valuation of farm land, buildings and equipment in Tennessee of \$713,627,000.

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From the New Orleans Times-Picayune - Feb. 4 -

ACTIVE, ERRATIC MARKET IN COTTON - It was a hectic week in the cotton market as prices swung over a wide range with new high quotations for 21 years registered Monday.

The upswing carried the near position to 25.61 cents and the average spot price reached up to 25.41 cents for middling. At its most furious the market was caught up in a wave of bullish sentiment which felt that industrial peace would be achieved shortly and that on a basis of higher wages a higher level of commodity prices hardly could be avoided. However, the real feature of the period was the uprush of the new crop options as the trade took a look at the current scarcity of desirable cotton.

Over the last week-end there was the promise of large shipments of poorer grades to the Orient which will be in addition to heavy shipments to Europe. The trade accepted the promise from the administration that no ceiling would be set without first consulting the industry and with wage boosts supposedly in the offing the trade came to the conclusion that nearby conferences with OPA probably would mean a lift in goods ceilings....

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FARMERS ON THE WING- Editorial - The "Flying Farmers" of Vermillion county, Indiana, are different from other elevated agriculturists only because they have begun attending farm meetings in their own planes....

This adds another practical tie between farming and flying. A good deal of the farmer's air work has been done for him by private or government agencies--such as crop dusting, the shooting away of migrating birds from planted fields, and the hunting of predatory birds and animals. Ranchers have flown in their own ships to herd and count stock and inspect their ranges. The bright dream of planting by air has, however, failed to materialize. Experiments have proved that it entails a powerful waste of seed, and the likely prospect of sowing a neighbor's fields with something he didn't want to grow.

The relationship between flying and the open spaces is nevertheless so apt that the farm census is certain to show an increasing number of family planes.

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From the California Cultivator, Feb. 2 (Editorial) -

**WARNING TO LIVESTOCKMEN** - In a recent talk to members of the American Livestock Association, Secretary of Agriculture Clinton Anderson presented some facts and figures on the meat situation that should be given serious and immediate consideration.

After paying tribute to the outstanding job agricultural interests did for the war effort, the secretary got down to cases and cited a few of the most challenging problems which confront livestockmen today.

The No. 1 item was the need to get cattle numbers into balance with long-range feed output -- particularly range cattle. It is generally conceded that in most sections of the West there are too many cattle for safety. Conservation of range resources and protection of vital watersheds are, also, part of the picture.

Right now, when there is an all-time-high demand for meat, is the logical time to cull out the poor stuff. We've learned something in the years since then; made some progress toward improvement of ranges and the correct ratio of cattle numbers but there's still a long way to go. Reseeding, water development, fencing and improved management in general, are necessary for the prosperity of stockmen but, even more important, is the need to keep production within safe limits.

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From the St. Paul Pioneer Press, Feb. 4 -

**WHEAT NEEDS WON'T FORCE BREAD RATION** - High officials in the U. S. Department of Agriculture in Washington told the Pioneer Press that exports of wheat to feed stricken Europe will not be authorized to any such extent as would make bread rationing necessary.

It is true that getting enough U. S. wheat to meet all needs between now and next harvest is a hard problem, but that problem will be met by means not requiring the rationing of bread, the U. S. authorities said.

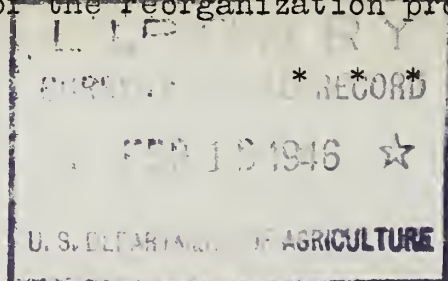
This authentic word is good news to certain businesses that would be adversely affected by rationing and to the great mass of people who are big consumers of bread. In the past few days, repeated but unfounded stories coming out of Washington have been giving the impression that bread rationing was on the way. Definite elimination of bread rationing is the latest development in a dramatic story of wheat.

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**FARM SECRETARY CALLED TO CAPITAL** - Congress suddenly is taking a hand in reorganization plans for the U. S. Department of Agriculture, it was revealed Sunday night when J. S. Jones, secretary of the Minnesota Farm Bureau federation, was called to Washington to be a congressional committee witness.

Until now, the reorganization has been largely in the hands of Secretary Clinton P. Anderson, acting on recommendations of a committee headed by Milton S. Eisenhower, brother of Gen. Eisenhower.

But now, the House appropriations subcommittee, headed by Rep. Malcolm C. Traver of Georgia, is taking a hand in the revamping process through its work on the department's appropriations. There have been sharp divisions of opinion in Congress as to phases of the reorganization problem.



USDA 255-46-6



(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

4 From The New York Times, Feb. 8 -

**TRUMAN PROMISES RATIONING OF MEAT IF NEEDED TO SAVE LIVES OF HUNGRY MILLIONS**-Washington-President Truman promised today a return to national meat rationing if necessary to prevent starvation of 10,000,000 to 15,000,000 persons among the Allied and liberated nations but he expressed confidence the step could be avoided if packing plants continued running at full tilt.

Stressing the need for cooperation by all Americans in the "superhuman effort" which he said could alone win this "world-wide war against mass starvation," the President said it would be up to the individual to eat less meat and to buy less in the same generous spirit which prompted them to donate old clothes for the needy. He declared that he thought they would be glad to do it.

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**PANEL ASKS 16c HOUR RISE FOR 90,000 MEAT WORKERS**-Washington-The fact-finding board appointed to inquire into the meat packing wage dispute recommended tonight a general wage increase of 16 cents an hour for the 90,000 production employes of the five major packing companies.

This is about 20 per cent of the average straight-time hourly earnings of the workers at the present time. The board said, however, that about two-thirds of the employes are paid less than the average of 80.2 cents per hour.

The board asserted that of the 16 cents, 5 cents was absorbable without price or subsidy relief but 11 cents would have to be met by price increases or subsidy.

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**TUG PEACE SEEN AS MEN VOTE TODAY**-A definite prospect of settlement in the four-day harbor carriers' strike appeared last night as union leaders and employers continued the negotiations resumed late Wednesday night.

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**FOOD MEN UPSET BY TRUMAN ORDER**-Atlantic City-The nation's leading food processors and distributors, winding up their week-long convention here today, were generally dazed and resentful over the suddenness of President Truman's announcement that the nation's food supplies would be cut in order to prevent world starvation. Although the President's action at present covers only grain, meats, dairy products and fats and oils, such commodities are basic foods or the basic ingredients of a majority of products, and the effects of the order are likely to be widespread, resulting ultimately in a resumption of Government food orders and consumer rationing, it was said.

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**DISTILLERS' AID PLEDGED**-General Frank R. Schwengel, president of the Distilled Spirits Institute and president of Joseph E. Seagram and Sons, Inc., pledged the cooperation of the liquor industry "in meeting the problems of reconversion and rehabilitation as outlined by President Truman."

He spoke before the convention of the Wine & Spirits Wholesalers of America yesterday.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, Feb. 8 -

**RATIONING OF FOOD IN U.S. ADVOCATED**-Although armies have laid down their weapons, the world actually is still at war, with starvation the enemy, and this country must accept its responsibility in the struggle. Anne O'Hare McCormick, editorial writer and foreign correspondent for The New York Times, declared yesterday.

Food rationing here should not have been ended "before there was any peace" and it should be re-imposed, she declared at the forum on the news sponsored by The Times.

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**GRAIN INDUSTRY CRITICAL**-Chicago-President Truman's order of Wednesday prohibiting the use of wheat in alcoholic beverage and ordering millers to recover a larger amount of flour from the grain than is customary was criticized by grain interests today. It was said the United States would have no wheat shortage if it were not for large export commitments.

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**LANDON HITS FOOD PLAN**-Topeka-Alfred M. Landon criticized President Truman's food program today, asserting that "we are reaping the results of the iniquitous Morgenthau plan for defeated Germany."

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**CEILING PROSPECTS SPUR COTTON RISE**-Expectations of bullish developments in Washington led yesterday to further price fixing and commission-house buying the cotton futures market on the New York Cotton Exchange and prices ended the day at about the best levels of the session with net gains of 12 to 16 points.

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**RYE PRICES MOVE UP, DOWN, THEN UP**-Chicago-May rye furnished the fireworks again today on the Board of Trade, advancing  $3\frac{1}{2}$  cents a bushel early, only to break  $7\frac{1}{2}$  cents from the top on scattered liquidation and then retrace its course and close with a net gain of  $2\frac{7}{8}$  cents. A feeling that the Government's new wheat-saving program led to increased buying of oats futures, and the close on that grain was up  $7/8$  cent, with July within  $\frac{1}{4}$  cent of the ceiling price. Grain traders as a whole denounced the Government's wheat program, saying increased extraction of flour from a bushel of wheat and elimination of the use of that grain for beverage alcohol would save less than 25,000,000 bushels of grain, and that curtailment of production of wheat feeds would tend to disrupt the market for feeds and might result in liquidation of livestock and poultry. The country sold 100,000 of cash corn for deferred shipment.

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**THE MARCH OF HUNGER**-Editorial-President Truman's statement that the world faces what may be the worst food crisis in modern history, together with the sustaining testimony of the Emergency Food Committee for Europe, is startling for two reasons: first, because of the extremity of human misery which it reveals; second, because it was so long delayed. The public has known that there was extreme want in parts of Europe and in most of Asia. It has not previously been made to realize that the situation is desperate and that it calls for some sacrifice by the American people.

We cannot well shrink from any sacrifice that will stay the march of hunger around the world, arrest disease, given hope to hopeless millions, prevent the wild and violent chaos that will surely come if hunger wins the victory. What has to be done must be done.

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From the New York Wall Street Journal, Feb. 8 -

MILLERS SAY: EXPORT "DARK BREAD" FLOUR - Flour mill experts are hopeful that President Truman's order calling for 80% flour extraction from wheat may be interpreted to avoid making darker flour for home consumption.

Their proposal is merely this: If more of the "darker" elements of wheat are to be extracted for bread flour, they should be blended with the flour destined for hungry Europe, and thus diverted from American bakeries and home flour bins.

They pin their hopes for acceptance of their proposal of the statement by President Truman....that he would have no objections to a flexible and workable program as long as it would save wheat.

On Monday, bakers and millers will meet with Department of Agriculture officials to discuss in detail all phases of the President's proposal, and their plan. It is believed that no official order will be issued by the Department until the views of the trade are received.

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AUSTRALIAN FOOD OFFICIALS said that country has a stockpile which should enable export of 50 to 60 million bushels of wheat this year. About 35 million bushels could be supplied to Africa and Pacific areas before June.

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CONGRESSMEN PROTESTED the Truman program to cut U. S. consumption. Rep. Hall (R., N.Y.) introduced a bill to ban further exports of grain and flour until more ample supplies build up in the U. S.

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THE U.N.R.R.A., asking help, took the world food problem to the U.N.O. Director General Lehman told the General Assembly that supplies being allocated to the relief agency are "entirely inadequate."

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PLANNED THAT WAY - Editorial - Now that we have met, despite a succession of good growing years a shortage of wheat for domestic consumption, as well as relief exports, it seems to us wholly in order to determine whether or not control of wheat acreage was carried out although it had been ostensibly abandoned. That would furnish no additional wheat. It might throw some light on the validity of the plans of "planners." Did someone seized with a zeal for acreage control act on the assumption that there would be too much wheat? We wonder.

It is common knowledge that even in the times of great war demand the Department of Agriculture contained a strong contingent which wished to retain the trappings of the policy of scarcity. Did this policy, like all government "planning," have a momentum which the "planners" either could not or would not reverse?

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(For other items from today's N. Y. Wall Street Journal turn to page 4).

Farm Digest 265-46-3



From the New York Wall Street Journal, Feb. 8 (Cont.) -

PRESENT CONSUMPTION WILL EXHAUST VISIBLE WHEAT SUPPLY BY MAY, Chicago - The United States visible supply of wheat, which embraces supplies owned by the grain trade, millers, feeders, distillers and Commodity Credit Corp., has reached a dangerously low point. The visible supply at the end of last week amounted to only 62,704,000 bushels, compared with 113,232,000 bushels on the same date a year ago. Supplies have been declining at the weekly rate of four million bushels for the past several months, and if this drain continues the visible supply will be exhausted by the middle of May or sooner.

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From the New York Journal of Commerce, Feb. 8 -

INTENSIFIED LIQUOR SHORTAGE LOOMS - Shortages of domestic whiskies available to consumers will become more acute as a result of President Truman's grain conservation order, liquor industry spokesmen said yesterday. In fact, conditions may soon begin to approximate the shortage of 1943 and early 1944.

Supplies of bourbon and blends of straight whiskies, already limited, will become scarcer while the volume of spirit blends (whiskey blended with neutral spirits) available to the consumer will begin to taper off gradually.

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RELIEF FEEDING EXPECTED TO PROLONG INDUSTRY TRANSITION, Atlantic City - Increased diversion of American food supplies into relief channels abroad will prolong transition period for the food industry but will not necessarily impair over-all American diet. This was the consensus of food industry leaders here at their annual convention.

Industry spokesmen pointed out that while immediate indicated relief needs require increasing quantities of grains, meats, dairy products and fats and oils, impact of accelerated export shipments of these foods would be felt in other lines. The fact that normal reserve inventories of many processed foods are at extremely low levels, it was added, will accentuate this condition and may make for continued temporary shortages of some lines, thus retarding the application of postwar expansion plans of the distributing trades.

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RELIEF FOR EUROPE'S FAMINE-Editorial - The American people will surely support on humanitarian grounds President Truman's program to expand food exports for the relief of 100,000,000 Europeans facing the threat of starvation. It is gratifying that the increased food shipments for Europe will leave this country with an adequate diet for the crucial year. But this vast relief program should be executed in such a way as to minimize consequent disturbances of growers, processors, dealers and consumers. The affected industries have not been invited to co-operate in the formulation and administration of European famine relief. Certain of the measures proposed are regarded as unwise in these industries, and others are not believed the most effective for securing the desired results. The wartime tendency to formulate economic policy with little or no consultation with affected industries persists in this case.

Fortunately, our agricultural policies to date have promoted a high level of food production through maintaining profitable prices for growers of most products. But political pressure to raise parity prices has had one unfortunate effect--it has encouraged speculative hoarding of agricultural products, especially wheat on the farm. Food stored on the farm will move to market later in the year as new crops become available, but the next six months are most critical. A moratorium upon political efforts to raise farm parity prices is needed on humanitarian, as well as economic, grounds. Farm Digest 265-46-4



From The Times-Picayune, Feb. 5 -

**COTTON PRODUCED SANS HAND LABOR**-State College, Miss.-Cotton, one of the South's labor major farm crops to be mechanized, is being grown without hand labor in experiments of Mississippi State college.

These experiments, conducted by the Delta branch station at Stoneville, deal with two labor peaks in the South's fabled money crop, instead of the usual one-labor peak of other crops.

These peaks are chopping or hoeing when the plants attain size and picking at the harvest.

In the Delta experiments the land was prepared and cultivated by multiple-row equipment, the thinning of the plants and hoeing was done by flaming, and the picking by a mechanical picker. All implements were tractor-powered and even the leaves were removed from the plants by defoliation, to facilitate fruiting and picking.

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**RELIEF AND RATIONING**-Editorial-The plight of European peoples, said Undersecretary of State Dean Acheson the other day, requires great sacrifices on the part of Americans and may even call for a return of wartime conditions in some sectors of our economy. It is beyond question that hundreds of thousands of people are starving or on the verge of starvation in some parts of the continent, and that they need help not only from us but every other nation in position to give it.

Americans are making sacrifices to help disorganized Europe, as are the British. Perhaps they should do more. But they are entitled to be shown that the Allied policy of inaction in Germany and the political wrangling over much of Europe does not place an unfair load on a willing helper. The need is very great, but it is important to know whether responsible governments are doing their part to relieve it.

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From The Commercial Appeal, Feb. 5 -

**PRICE MAY ELIMINATE COTTON FROM MARKETS**-The textile Research Institute yesterday made public a report of its finding on the future for textiles and announced the over-all conclusion that the long pull demand for textiles can be maintained at 20 per cent above the 1935-39 average if textile industries lower production and distribution costs and follow an aggressive policy of developing and publicizing their products.

The first of a series of studies dealing with textile, the report concluded:

**Demand**-After immediate shortages have been met, demand for textiles will be affected by the level of national production and income, the level of textile prices as compared with other consumer goods and by competition between textiles and nontextile substitutes. Competition between different textiles and substitute products will be more intensive than ever before.

Although cotton can be priced out of the market, its displacement by synthetics will necessarily be a gradual process as a consequence of technological limitations. This means there will be time for textile mills to adapt their operations to changing conditions.

From The Boston Herald, Feb. 6 -

**UPGRADING OF NATIONAL DIET HELD GREATEST POSTWAR NEED**-The nation's greatest need is up-grading of its diet, in wealthy as well as in needy families, Raymond W. Miller of Philadelphia, president of the American Institute of Cooperation, declared last night.

Farm Digest 265-46-5



From the Wall Street Journal, Feb. 4 -

NEW, BETTER MACHINES SPEED FOOD PACKAGING - San Jose, Calif. - The business of preparing food for canning is moving rapidly into its version of the machine age.

Take, for example, such new or improved devices as: A peach pitter which slices the fruit in half, measures to a hairbreadth the size of the kernel cavity, then adjusts a scoop to cut out the pit--all in two winks. The saving is twofold: None of the peach flesh comes out with the seed, and split pits, hard to remove ordinarily, usually can be taken out by the machine.

As improved cherry pitter which punches out the seed through the stem hole, then cups the fruit to press the cherry back into natural shape so the hole doesn't show. One variation of this machine removes the seeds, but leaves the stems on cherries destined for cocktail glasses. An olive pitter, operated on the same principle, leaves a hole smaller than the seed that was pushed through.

To loosen the skins of vegetables for canning, there's a boiler-like device, which cuts processing time from minutes to seconds. Carrots, sweet and white potatoes, pimentos or beets are fed into a high-pressure steamer through a special valve which doesn't allow steam to escape. Inside the steam chamber, vegetables are pushed up an incline so that field dirt will drop down, then are popped out of a valve at the other end. In 25 to 45 seconds, carrot skins, for example, are ready to be removed by a washer using high pressure sprays. Soaking in lye would take three minutes.

These, and more than a score of other machines, are now in production or planned for marketing this year by Food Machinery Corp.

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From the Davenport, Iowa, Democrat and Leader - Feb. 5 -

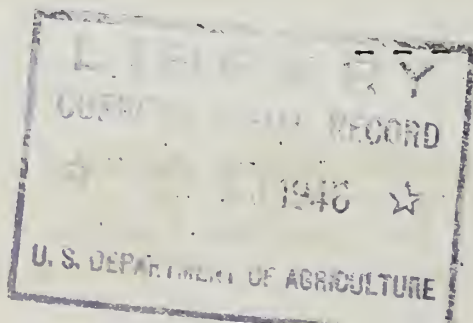
FAVORS TURNING SURPLUS CROPS INTO PRODUCTS - Washington - Conversion of surplus crops into industrial products is proposed in a bill planned by Senator Butler (R.-Iowa) and others.

"The proposal," Butler said, "would eliminate programs for acreage restrictions...., offers the basis for a long range agricultural program and is designed to give the farmer full benefit of his productivity and the consumers the advantage which can be obtained from abundance."

He cited as industrial products to be made from agricultural products: Maltose, starch, industrial alcohol for rubber, power and other uses.

"The surplus use program," he said, "would be tied in with our soil conservation program and would be conducted so no farmer would find it to his financial advantage to rob his soil."

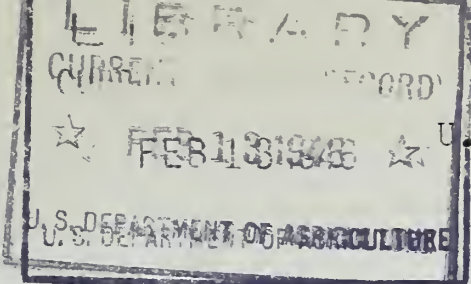
To accomplish industrialization of the surplus, the bill would provide for transfer to the secretary of agriculture of all government owned plants using agricultural crops as raw materials.



Farm Digest 265-46-6



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DAILY FARM NEWS DIGEST  
(For February 11, 1946)



U.S. DEPARTMENT OF AGRICULTURE  
OFFICE OF INFORMATION  
Washington 25, D. C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From the New York Times, Feb. 11 -

TUG ACCORD BELIEVED NEAR AS MEN VOTE AGAIN TODAY - New hope for the settlement of the week-old harbor carriers' strike came last night when committees representing workers and employers, after conferring with Mayor O'Dowyer at City Hall, agreed to recommend arbitration of their differences to membership meetings of both groups today.

The arbitration proposal will be submitted to members of Local 333 of the United Marine Division, International Longshoremen's Association, AFL, at an emergency meeting set for 10 A. M.

It will mark the third vote by members of the local on continuation of the strike since the order directing Federal seizure of the harbor craft last Wednesday. It will be the first occasion, however, on which the striking men will vote on a proposal in which the factor of arbitration is included.

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GERMANS EAT MORE; RATION RISE BARRED, Frankfurt on the Main, Germany - The reports of nutrition teams checking the weights of Germans in the American zone have led to a decision not to increase the food ration in this area notwithstanding a recommendation to that effect submitted by the Government recently.

Surveys during January, it was announced, reveal that the caloric value of the normal consumer's diet increased during the month to its highest level since the occupation began. Officials of the public health branch who disclosed the status of the food question said that the daily average had been 1,920 calories whereas it was only 1,835 calories during December.

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TENSION INCREASES IN INDIA OVER FOOD, New Delhi, India - With the return of the Viceroy, Vicount Wavell, from a visit to famine-stricken areas it is reported that the Government's concern over the food shortage in Madras and Bombay Provinces and in Mysore State has increased to the point where an all-India ration of twelve ounces of cereal daily per person may be imposed.

The consumption at present varies according to whether the Province is a surplus or deficit area in grain production but the all-India average is probably somewhat more than a pound.

Conversations with Congress party Nationalists also produced the report that the Government might make a new attempt to obtain Congress party representation on the food delegation that is leaving to plead India's case before the Combined Food Board in Washington.

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(For other items from today's N. Y. Times turn to page 2)

Farm Digest 275-46-1



From the New York Times, Feb. 11 (Cont.) -

PRICES FOR COTTON REACH 21-YEAR HIGH - Cotton prices in the domestic market advanced steadily last week and the staple sold at the highest levels recorded since the 1924-25 season. At the close on Saturday, active futures contracts on the New York Cotton Exchange showed for the week net gains of 64 to 93 points.

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GRAIN TRADING IN CHICAGO, Chicago - Business in grain futures contracted further last week on the Board of Trade as there now are only three active delivery months for operation, all others being at ceiling prices. Virtually all of the business in wheat, corn, May oats and the deferred deliveries of rye was in changing between the various deliveries. Sales of all futures for the week ended on Friday aggregated 81,837,000 which compared with 15,000,000 bushels the week before and 19,300,000 a year ago.

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GRAIN TRADERS SEE HUNGER IN EUROPE, Chicago - Europe is going to tighten its belt during the next six months and all the power of the various world Governments cannot prevent hunger in that area until the new grain crops are harvested this summer, according to the best-posted men in the grain trade. Although the situation of economics months ago it was not until last week that the hunger talk received official confirmation with President Truman's grain-saving program suddenly being announced to the country.

The picture painted by the grain trade for Europe is far blacker than admitted officially, but the scarcity of grain abroad has been known to the Department of Agriculture, the combined wheat board and high Government and relief officials for at least six months, brokers said.

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TO DISCUSS MEAT PAY RISE, Chicago - Union delegates representing more than 193,000 members of the United Packinghouse Workers, CIO, will meet tomorrow to determine whether to accept the 16-cent-an-hour wage increase recommended last week by a Federal fact-finding board.

Officials of the AFL Amalgamated Meat Cutters and Butchers Workmen have already recommended that their members accept the board's recommendation. The packers offered an increase of 7½ cents an hour.

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STASSEN ENDORSES TRUMAN FOOD PLAN, Columbus, Ohio - Former Gov. Harold E. Stassen of Minnesota added his voice tonight in support of President Truman's proposal that the American people make sacrifices to prevent starvation of millions of Allied and liberated peoples.

The Republican leader, speaking at a community service of Worship and Meeting on World Order opening the twenty-fourth annual meeting of the International Council of Religious Education, of which he is president, stressed the moral obligation of Americans to help victims of the war. The program previously had been endorsed by former President Hoover.

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From the New York Journal of Commerce, Feb. 11 -

U. S. WILL CONTINUE BUYING FATS, OILS, SUGAR - Washington - Government imports of fats and oils and sugar by the Commodity Credit Corp. and of rubber by the Rubber Development Corp. are expected to continue throughout 1946.

The world shortages of these essential commodities cannot be relieved this year. In all three cases restoration of prewar production and absorption of a backlog of demand must be accomplished before world supply and demand are brought into balance at a price approximating the interwar average.

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DISCRIMINATION BY REA CHARGED - Washington - Congress is being asked by the National Electrical Contractors Association to enact legislation forbidding what the association terms discriminatory practices by the Rural Electrification Administration in awarding contracts.

The association said today in a statement that REA refuses to deal with an electrical contractor who is doing work for a private utility company.

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ORGANIC FERTILIZER OUTPUT EXPANDED - Alleviation of the world shortage of nitrogenous fertilizers is expected to result from plans under way in twelve European, Asiatic, South African and North American nations to produce more than 750,000 tons of organic fertilizer this year.

Similar plans are already under way in twenty-three States. Florida, New York, New Jersey and Idaho are already producing in commercial quantities. Plant construction in most other States is being delayed by the steel strike.

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OPPOSITION MOUNTS TO FLOUR EXTRACTION - Mills generally were withdrawn from the market pending the outcome of meetings to be held with officials in Washington today in connection with the Administration program to fix extraction at 80 percent compared with a normal of 70 to 72 percent.

Opposition to the plan was mounting throughout the milling and baking industries which preferred either a limitation on the wheat to be ground or even rationing of flour and bread if officials insist on carrying out the export objective.

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FLOUR MILLERS PROTEST NEW EXTRACTION ORDER - Nashville, Tenn. - Millers from eight states have joined in a protest against the Government's "dark flour" directive. Meeting here in a called session to discuss the wheat shortage and the directive, the 40 millers issued a statement opposing the milling of dark flour. They listed two reasons: It "destroys palatability and nutritive value of flour," and it "deprives farmers of approximately 40 percent of present supplies of millfeed."

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DAIRY LEAGUE URGES PERMANENT LUNCH PLAN - New Hartford, N. Y. - Promotion of good nutrition and the furtherance of an ideal national diet through adoption of a permanent school lunch program were advocated today by Henry H. Rathbun, president of the Dairymen's League Co-operative Association, as "preventive medicine of the first order."

From The Baltimore Sun, Feb. 11 -

WHEAT REPORTED HELD ON FARMS - Chicago - Asserting that the present wheat emergency is one of transportation and price rather than production, the National Federation of Grain Co-operatives today urged President Truman to correct what it termed a breakdown in railroad transportation and to "borrow necessary wheat" from farmers.

In a telegram, forwarded by M. W. Thatcher, of St. Paul, federation president, the group outlined requirements which it said must be "immediately understood and met" if the Government is to export between 150,000,000 and 250,000,000 bushels of wheat to war-torn countries by June 30 and still meet domestic milling requirements.

Asserting that "more than half of the wheat in the nation still is on the farms," the group said not enough would be moved unless the matter of ceiling prices and inventory is determined now.

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FARM CREDIT CHANGE URGED - Washington - Congress may vote soon on a plan to remove all farm credit agencies from the Agriculture Department and consolidate them under an independent bipartisan board.

Chairman Flannagan (D. Va.) of the House Agriculture Committee, which already has approved the change, said today he wants to get Rules Committee clearance this week to bring it to the House floor.

A committee report filed with the House says the proposed consolidation will "keep agriculture credit out of politics" and help to "assist qualified veterans, farm tenants, farm laborers, sharecroppers and others to become farm owners."

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From The New York Herald Tribune, Feb. 11 -

RUSSIA TAKES FOOD STOCKS OUT OF MANCHURIA - Shanghai - Russia is counting heavily on Manchuria as a future source of food and other agricultural products to fill the needs of the growing population of the Soviet Far East. Large quantities of captured foodstuffs have been moved to Siberia from Manchuria since the Red Army's invasion of the latter region. As a result, it has been possible to increase the food allowances for Russia's Far Eastern citizen, who had been living close to minimum subsistence levels throughout the war.

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U. S. CURTAILS FOOD TO REFUGEE CAMPS - Munich, Germany - American officials today launched a program to eliminate excess food deliveries to camps for displaced persons in Bavaria, a situation held responsible for most of the district's extensive black market in food.

Military government authorities, estimating that some camps were over-supplied 50 percent, said food deliveries would be cut 20 percent at all camps. Henceforth, food will be issued on the basis of a head count, as in the Army, instead of on an over-all estimate of the number of persons in each camp.

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FROZEN FOODS PRODUCTS ELECTS STOLL PRESIDENT - Major Lawrence J. Stoll has been elected president and a member of the board of directors of Frozen Food Products, Inc., to succeed George W. Meek who has resigned as president, the company announced yesterday.

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From The Journal of Commerce, Feb. 8 -

**A MIXED FERTILIZER SHORTAGE-Editorial-**Government officials have been hopeful that fertilizer supplies this year would be adequate for domestic requirements. But they reckoned without the steel strike. The coking of coal in steel plants provides, as a by-product, sulphate of ammonia. This compound constitutes a substantial amount of the nitrogen going into mixed fertilizers, as distinct from nitrates applied as a top dressing to growing crops.

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From The Baltimore Sun, Feb. 8 -

**A SHORT WORLD WHEAT CROP IS AT THE BOTTOM OF THE FOOD CRISIS-Editorial-**In a press conference last December 22, Director General Lehman of the UERRA warned that wheat shortages were showing up though "breadstuffs are the basis of the austerity diets" on which the war-ravaged populations would depend to get through the winter. Britain's sudden lapse back to the wartime black-bread regime and Mr. Truman's orders for new economies in our use of wheat and other foodstuffs are further indications of how bad the shortages really are.

What are the actual figures? The world wheat crop for 1945 is now estimated at some 5,350,000,000 bushels which is six per cent under the year before and nine per cent under the prewar averages. The situation, as might be expected, is worst in Europe. The wheat crop in Hungary, for instance, was estimated in September at 27,000,000 bushels, as against a prewar average yield of 91,000,000 bushels.

Europe as a whole has always imported wheat. Yet in 1945 all the great exporting nations, save the United States, showed low wheat harvests. Our yield was upward of 1,120,000,000 bushels as against 1,072,000,000 in 1944. But drought during the Canadian growing season and cold and rainy weather at the harvest cut Canada's crop to some 306,000,000 bushels, or about a quarter under the 1944 total and about a third under the prewar averages.

The Australian crop is estimated at 135,000,000 bushels, as against an average in past years of up to 162,000,000 bushels. The Argentinean crop is down to 165,000,000 bushels, as against an earlier average of 256,000,000 bushels.

It is figures like these which explain why, as Mr. Truman has said, millions in Europe will be down to a daily diet of 1,500 calories this winter, and many more even to a diet of 1,000 calories. Americans, who are now averaging over 3,000 calories a day, will relish their food even more in the ensuing months if they know they are sharing it on a more liberal basis with the desperately pressed populations of less fortunate areas.

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From The St. Paul Pioneer Press, Feb. 5 -

**BARLEY BOOSTED TO WISCONSIN GROWERS-Milwaukee-**The Midwest Barley Improvement association Monday tried to stimulate barley production on Wisconsin farms in 1946 by calling attention to high profits derived from the short crop in 1945. The association cited federal and state crop reporting service statistics to show that the Wisconsin barley crop averaged 40 bushels per acre in 1945 and that it sold at \$1.19 per bushel for an average return of \$47.60 per acre. The bumper oats crop yielded 51 bushels per acre and returned \$34.17 per acre, or \$13.43 less per acre than barley. The poor corn crop yielded 41 bushels per acre and returned \$46.33 per acre, or \$1.27 less than barley.



From The Chicago Journal of Commerce, Feb. 7 -

**WEDDED TO SUBSIDIES**-Editorial--In a speech before a meeting of the National Cannery Association at Atlantic City, Secretary of Agriculture Anderson advocated the retention of wartime food subsidies and price controls slated to expire by June 30. This was a reversal of Mr. Anderson's position but quite in line with an about-face by President Truman.

Mr. Anderson told the canners that his department had looked for the ending of all price ceilings and subsidies next June "because it appeared--from prospects last fall--that there might be small declines in the level of food prices and the whole cost of living." Now, however, he went on, "it appears that the department underestimated the tremendous demand for food and the great buying power in the hands of workers and returning veterans, among others."

It seems probable that at Atlantic City the secretary was trying to justify his conversion to the creed of Chester Bowles, who it will be recalled, opposed the Anderson plan to achieve adequate butter production by removing the rollback subsidy and letting production take care of prices. Mr. Anderson's conversion may have been unwilling but it appears nonetheless complete.

The Washington officials, by clinging to subsidies and price controls, are merely postponing the taking of unpleasant medicine. Whenever the lids are taken off there will be temporary price rises, in some foods as in some consumer goods. Only by letting the prices go up enough to bring about production will we get prices down to reasonable levels without controls.

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From the St. Paul Pioneer Press, Feb. 5 -

**STATE PLANS NEW TREE PROGRAM**-By Alfred D. Stedman-A new move, backed by an unprecedented array of state, federal and private agencies, is coming soon for a big new tree planting program under Minnesota's present tree nursery law, it was revealed Monday night.

The move is to be led by the Minnesota department of conservation, it was disclosed.

That department, it was revealed by Conservation Commissioner Chester S. Wilson soon will issue a new call for bids from private nurseries of Minnesota on a large number of seedling trees for planting by farmers and other land owners.

Commissioner Wilson asserted that a sincere and careful effort, on a much larger scale than the first attempt which failed, is coming to make Minnesota's new law work.

This law provides that, instead of the usual practice in other states of growing seedling trees in state nurseries for distribution at cost, the Minnesota Conservation department can buy the seedlings for distribution for conservation uses.

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From The Western Tobacco Journal, Feb. 5 -

**KENTUCKY COMMISSIONER, WANTS 10% REDUCTION ON ALL TYPES**-Frankfort, Ky.-Approval by the State Board of Agriculture of a ten percent reduction in production of burley tobacco, only if it applies to all types of the tobacco, was announced by Elliott Robertson, Kentucky Commissioner of Agriculture.

After a meeting of the board Commissioner Robertson made public a letter to James Sharp, Lexington grower and warehouseman, stating his position. Robertson is chairman of the State Board and in making public the letter he said the board approved his stand.

The Commissioner added that he would send similar letters to Kentucky's delegation in Congress.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From the New York Times -- Feb. 12 --

MAYOR ORDERS A MIDNIGHT CURFEW AS THE TUGBOAT TIE-UP CONTINUES - The city-wide emergency brought on by the eight-day tug strike was widened last night in a sudden move by Mayor O'Dowyer ordering virtually the entire city shut down at midnight.

Everything in the city was ordered closed in a proclamation read to the people of the Metropolitan area at 10 o'clock by Dr. Ernest L. Stebbins, Health Commissioner. In the unprecedented order business houses, bars, grills, all places of amusement, libraries, museums, schools and other educational institutions were ordered closed....

His proclamation followed the failure of City Hall to bring the strikers and employing harbor carriers together. Striking tugboat workers accepted the Mayor's plan for arbitration yesterday, but the paralyzing harbor tie up dragged on as employers balked at certain arbitration proposals.

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MILLERS LOSE PLEA FOR WHITE BREAD, Washington - A last-minute attempt by the milling industry to head off a Government program placing the nation on dark flour and bread failed today.

Informal industry operated rationing of a reduced supply of white flour was proposed by the millers at a Government-industry conference on the program decreed by President Truman last week to help feed the starving abroad. Secretary of Agriculture Anderson turned down their proposal.

Millers asserted that it was not necessary to turn to dark bread to cut 25,000,000 bushels of wheat from flour consumption in this country during the first half of 1946.

Miller representatives said the 25,000,000 bushels could be saved by an allocation system on white flour under which domestic consumers would get about 88 per cent of the amount they would be expected to consume if supplies were plentiful.

"It is the verdict of President Truman and his Cabinet," Mr. Anderson said, "that the dark flour method be used to help save wheat for the starving abroad."

Mr. Anderson added that Government experience with shortages of meat and other foods during the war convinced him that informal rationing by the industry would not be successful. He said he believed that hoarding and black market operations would interfere.

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NEW PAPER CONTAINS DDT - A new ready-pasted cedar paper containing 5 per cent of active DDT insecticide has been developed as a lining to protect clothes closets and bureau drawers from moths, silverfish and other insects, it was announced yesterday by the Trimz Company, Inc., of Chicago. The new paper, developed in the laboratories of United Wallpaper, Inc., is to be distributed nationally in March, it was reported.

(For other items from today's N. Y. Times turn to page 2)

Farm Digest 285-46-1



From the New York Times, Feb. 11 (Cont.) -

TRADE IN COTTON TURNS IRREGULAR - Cotton futures on the New York Cotton Exchange turned irregular yesterday and closed 3 points higher to 10 points lower on the day.

There was some confusion over the expected changes in the price wage policies of the Administration, and there was talk that cotton goods ceilings would be changed with the institution of escalator ceiling prices tied to the prices of spot cotton.

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GRAIN PRICES SAG; MAY RYE OFF 2-7/8C - Chicago - Grain prices were easier today on the Board of Trade, May rye being off 2-7/8 cents a bushel and closing at about the bottom, while the active futures in oats lost 1/8 cent. Selling of rye was induced by the announcement that directors of the grain exchange would hold a meeting later in the day to consider the rye situation at the request of Secretary of Agriculture Clinton P. Anderson, who last week suggested that operations be curtailed further or trading in May rye be eliminated. The Board of Directors of the Winnipeg Exchange considered the rye situation on Saturday, but took no action.

Operations in oats futures were relatively light. July eased from the ceiling price early, but rallied to close unchanged. American interest who have Canadian malting barley in storage in that country have been ordered to offer the grain to the feeds administration at not more than ceiling prices.

A limited trade was on in May wheat at ceiling prices here, and a few lots of May and July were sold at Kansas City. However, brokers reported a large accumulation of buying orders in the near-by deliveries of wheat.

Mills report they are flooded with orders for white flour, but few can be accepted because of the big backlog of orders.

The visible supply of wheat decreased 5,847,000 bushels last week and stocks are down to 57,057,000 against 62,704,000 the previous week and 109,325,000 a year ago. Primary points received 1,011,000 bushels, against 1,260,000 a week ago. A year ago was a holiday. Shipments of 994,000 bushels compared with 749,000 a week ago.

Farmers are reported holding back cash corn in expectation of higher prices, and only 105,000 bushels was purchased for deferred shipment. Some corn remains in fields to be harvested, although normally March 1 is regarded as the start of field work in the Central West.

The visible supply of corn increased 3,211,000 bushels last week and is 17,988,000, against 14,777,000 a week ago and 19,239,000 a year ago. Primary receipts aggregated 1,962,000 bushels, against 1,759,000 a week ago. Shipments were 847,000 bushels, compared with 623,000 a week ago.

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GROCERS FORCED TO BUY PLENTIFUL EGGS TO GET SCARCE BUTTER, THEY TELL THE OPA - With eggs so abundant that most kinds are selling below ceiling prices in the open market, retail grocers complained that they must pay full ceiling price for them to wholesalers in order to get butter, which remained so scarce that some retailers were charging 75 cents a pound and limiting customers to one-quarter pound.

The Office of Price Administration has assigned its recently created butter racket squad to gather evidence on the latest tie-in.....

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From the Wall Street Journal, Feb. 12 -

BLACK MARKET FLOUR sales mushroom from the "dark bread" proposal. They'll probably get worse. With a wholesale bakery flour ceiling of \$3.75 per hundred-weight, some dealers already ask \$5.

Panicky housewives aggravate the situation. They've grabbed millions of pounds of flour from grocery shelves, scooping up 50 and 100 pound bags first... "Most of it will spoil," flour men sigh, "and be thrown out." You can't hoard flour like sugar. Weevils make swift work of spoiling it...

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FEED MANUFACTURERS are throwing sales programs into reverse. One Midwest mill manager has offered his salesmen a bonus on "each contract they can get canceled." Another is paying a bonus on "least business brought in"...

Livestock feeders will be harder hit by the Government's save-the-grain drive than is generally realized. The 25 million more bushels of wheat in bread flour means 25 million bushels less milled wheat feed for animals. The joker is that livestock men can hit back, by feeding more whole wheat to cows, chickens and hogs. Direct-to-the-animal wheat feeding has recently risen to around 25 million bushels monthly. Export-boosting planners hope to cut this direct feeding.

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AUSTRALIA CAN'T HELP America put bread on hungry Europe's tables. The British Empire's down-under bread basket, which exported 133 million bushels of wheat in pre-war 1938, now has only 35 million bushels for export. Australia promises her farmers a 15-cents-per-bushel price hike on the new crop, expects to garner 120 million bushels of exportable wheat from it--but harvest is ten months away.

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LINSEED OIL is being snatched from American hands by Russians in the big South American market. Soviet buyers recently picked up 5,000 tons in Uruguay at 12 cents a pound, and are buying in Argentina at the same price. The United States has had an agreement with Argentina to buy at 9 to 9½ cents. Our oil traders are now hotfooting it to the State Department to seek a higher price. The linseed oil shortage in the United States is the worst in history. The oil is basic in paint for new homes.

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COTTON RAYON BATTLE has extended into the advertising field. Representatives of the cotton trade are incensed over recent advertisements asserting that rayon cord makes safer auto tires. Cotton men claim that the greater thickness of the cotton tire carcass offers more protection against punctures from nails and stones. They've asked one large magazine not to accept "misleading" rayon advertising in the future.

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CIO AND MEAT PACKERS AWAIT NEXT U.S. MOVE, Chicago - Both the packing-house industry and the CIO-United Packinghouse Workers union have put the next move in their wage dispute up to the Government. Following a meeting of its "wage policy committee" yesterday, the union officially announced it would hold in abeyance its decision on the wage boost of 16 cents an hour... The industry has made no announcement of its position but a survey of major meat packers indicates a similar "wait and see" attitude.

cc



From the Wall Street Journal, Feb. 12 -

PRICE CONTROLS on farm products will stay when Bowles is Economic Stabilizer. The program of easing or removing price ceilings on agricultural commodities, long advocated by Agriculture Secretary Anderson; will be a dead duck if Mr. Bowles is made an absolute czar over prices.

In the past, when Anderson proposed making an exception to the hold the line policy for some farm product, Bowles as head of the OPA has objected. Usually, after much wrangling, the matter has been arbitrated by the Office of Economic Stabilization, the decision going sometimes to Anderson, sometimes to Bowles.

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From the New York Herald Tribune, Feb. 12 -

CUT IN LIVESTOCK URGED AT GOVERNORS CONFERENCE - The Northeastern Governors' Feed Committee, which met in special session yesterday at the call of Governor Thomas E. Dewey because of the alarming feed shortage, recommended reduction of livestock production to conform to feed possibilities. Feed supplies in the Northeast, it was said, would be almost exhausted in from fifteen to thirty days and wheat must be conserved because of near famine abroad.

"The lack of adjustment of livestock production to feed supplies," said the committee in its statement, "and the consequent shortage in the Northeast are due directly to ceiling prices."

The committee recommended premiums for light-weight hog sales, subsidizing corn above the ceiling price to make its sale "at least as profitable as feeding corn to hogs," encouragement of milk production in the fall months and a poultry-marketing program to reduce the number of laying hens.

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FOOD MEN FEAR BROADENING OF TRUMAN ORDER - Food trade leaders admitted yesterday there was a growing uneasiness in many quarters of the industry over what actually lies behind the sudden directive issued last week by President Truman to avert a famine in Europe. They reported careful study of the directive showed the amounts of wheat and other foods to be shipped were the same as those which had been agreed upon months ago, had then been publicized, and apparently now are being shipped.

The sudden and dramatic manner in which the directive was announced, without any hint to the food industry and apparently without any forewarning to government food officials, would seem to portend further steps in the foreign relief food program than the directive indicates, in the opinion of many in the trade.

Unable to see where the indicated program differs from what already had been arranged, many were inclined to feel that the President's announcement was in the nature of a "trial balloon" to pave the way for even more drastic steps in control and distribution of food.

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ALDENS MAIL ORDER HOUSE ISSUES PEAK CATALOGUE - The largest spring and summer catalogue in its history has been issued by Aldens Chicago Mail Order Co., it was announced yesterday. A greatly expanded home furnishings section, taking in over 160 pages of appliances, is responsible for the major portion of the increase over the previous high.

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From the Kansas City Star, Feb. 8 -

FOOD LIMIT A SURPRISE, New York - President Truman's plan to cut down on American food consumption to aid Europe was termed today a "drastic step" which "came as a shock to the members of the food industries by Paul Willis, president of Grocery Manufacturers of America, Inc.

Clinton P. Anderson, Secretary of agriculture, "gave us no hint that a return to rationing is in prospect, rather than the problem of disposing of America's huge food production," Willis said.

The President's plan "may well mean the immediate resumption of informal allocation by the industry, and it seems to imply the possible return of full-scale government rationing at a later date," Willis said.

"We feel that we are entitled to more advance information before such drastic steps as this are taken in the future.

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From the Davenport, Iowa Democrat and Leader, Feb. 8 -

WHEAT GROWERS CATCHING ON - Editorial - Wheat growers never were sitting prettier. Many of them have a good store of wheat in the bin and their bank accounts are ample to meet expenses for months to come. So they are holding their wheat for the price upsurge they know will follow huge wage increases to industrial workers.

As a result, millers are approaching desperate straits. They are beginning to wonder how they will continue to grind. Mills are discouraging flour buyers from buying too far ahead. And they are using every inducement they can think of to coax the farmers to sell.

But many a wheat grower is adamant in refusing to sell unless the buyer has something to swap. If the farmer needs livestock feed, he will swap some wheat for a load of bran.

The government has been besought to do something to make the farmers turn loose. But there is nothing the government can do except raise the ceiling so the holder can get a higher price. And that is exactly what the farmer is waiting for.

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From the New Orleans Times-Picayune, Feb. 9 -

SALE OF CATTLE HEAVY IN COPIAH, Hazlehurst, Miss. - Copiah county farmers sold 900 head of cattle this week for a money return of more than \$40,000. Spring pastures are beginning to get green with new grass, and the bulk of the cattle, especially the young stock, is being held for fattening and growth this spring before being sold.

Hogs have been sold in larger numbers this week. Nearly all farmers have butchered their year's supply of meat and surplus swine have been selling faster than usual. Best young beef stock has brought 12 to 13 cents per pound and hogs as high as 17 cents per pound.

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From the Baltimore Sun, Feb. 8 -

BUTTER LACK TO GET WORSE, Madison, Wis. - The prospect for an adequate supply of butter in coming months is daily becoming dimmer, on the basis of trends in this greatest of milk-producing states.

The consensus of Wisconsin dairymen, State agricultural officials and others is that the American housewife will have plenty of milk, cream and cheese, but will have to continue to scramble for her butter supply.

Some dairymen contend the butter situation may well become worse instead of better. A trend has become more pronounced daily in Wisconsin toward diversion of much of the milk that formerly went into butter into sweet cream, cheese, condensed, evaporated and powdered milk.

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From the Boston Herald, Feb. 6 -

IF PRICES ARE LIFTED - Editorial - OPA price ceilings, it now appears, are to be raised on some commodities and perhaps generally. The most obvious place for the line to break first is in steel, where President Truman's insistence on a definite wage raise has forced the issue of profitless production. Others may come in foods like butter, which are scarce, in women's stockings, and in men's shirts. Or Mr. Bowles may resignedly authorize a general percentage raise on all commodities as the simpler and perhaps fairer way out.

The prospect is not pleasing. It inevitably means more inflation, with higher costs of living to everyone, and probably demands for new wage raises from organized labor. But, between higher prices, and no production at all in certain industries where existing OPA ceilings have rendered profits impossible, there is no choice. If President Truman had guarded the wage front as zealously as Mr. Bowles has guarded the price front, surrender on the latter would probably not now be necessary. But since inflation has been permitted on one side of the balance, it is impossible to avoid it on the other.

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From the Milwaukee Journal, Jan. 31 -

CONGRESS AND PRICE CONTROLS - Editorial - Some congressmen and others are now suggesting that the OPA be continued another year, or perhaps only nine months, but with reduced power to fix prices. OPA's attitude on price fixing, they say, is not always realistic. In their opinion, the law itself should exempt certain things from price control and should actually fix the prices of other things.

The OPA has not been all-wise in its price control policies. Even its staunchest friends will admit that. It has, however, on the whole tried to be both consistent and fair. It has not yielded to the tremendous pressures which organized groups have exerted for selfish purposes. Despite its occasional mistakes, it has succeeded in slowing down the inflationary process.

Many businessmen, if they favor price controls at all, favor them only for products they do not manufacture. They agree that inflation would be bad, but insist that a "modest" increase in their own price schedules is necessary and noninflationary.

It is this group which wants congress to step in and reduce the authority of the OPA.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 13 -

TUG PARLEYS GO ON-After eighteen hours of unparalleled confusion and staggering economic losses, Mayor O'Dwyer rescinded at 6 o'clock last night his emergency order shutting down the normal business life in New York City. He explained that improvement in the fuel situation made this step possible, but that the schools would remain closed.

The committee representing the employers of the tugboat industry announced its willingness to meet with a union committee of the 3,500 tugboat workers, whose nine-day-old strike precipitated the emergency, in order to "determine mutually what is to be arbitrated" in their dispute.

After an all-day deadlock, in the course of which it developed that the employers were seeking assurances from Washington that they would receive permission for price increases before they made a settlement with the strikers, James C. McAllister, chairman of the Employers Wage Adjustment Committee, made known the willingness of his group to resume negotiations with the union.

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PAY-PRICE FORMULA IS SENT TO TRUMAN-Washington-A wage-price formula, approved by a majority of the members of the Governmental Committee which discussed it, was sent to the White House tonight for the consideration of President Truman.

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TRUMAN'S SIGHT AND TASTE TESTS SHOW SLIGHT DIFFERENCE IN 'DARK' WHITE BREAD-Washington-President Truman invited White House reporters today to sample specimens of the "darker" bread, called for in his wheat conservation program, and proved by sight and taste tests that it could not easily be distinguished from ordinary bakers' bread except by comparison in daylight.

The President also produced specimens of bleached and unbleached flour ground under the new 80 per cent extraction rate requirement and again defied reporters to distinguish it from bleached flour milled under the normal 72 per cent extraction rate. The slight difference in color was apparent only when the flour was set side by side before a window.

The only difference between the loaves was a slightly lighter texture obtained from the 72 per cent wheat extraction flour, and the President said that it was a small enough price to pay for providing bread for some 8,000,000 pers who otherwise would do without it and possibly starve to death.

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USE OF NEW 80% EXTRACTION FLOUR IN BREADS LIKELY TO CAUSE HOUSEWIVES LITTLE TROUBLE-Experts in the Department of Agriculture's bureau of human nutrition and home economics already have started to run tests on the new 80 per cent extraction flour in an effort to see how differently it behaves in cookery from flours now generally on the market. Advice to women on how to use the product will be issued on the basis of the studies, and since the 80 percent flour is not expected to appear for at least a month, the department's research should be available in plenty of time.

One reliable home economist in this city says that cooks should have no trouble in using the flour in breads, cookies and most cakes.

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From The Washington Evening Star, Feb. 12 -

REPORTER FINDS NEW BREAD NOT MUCH DIFFERENT FROM OLD-By Newbold Hoyes, Jr.-- With the naked eye, at a distance of three feet, one cannot tell the difference between ordinary white bread and President Truman's new loaf made from 80 percent extraction flour.

Furthermore, you can't taste any difference.

In the case of the new loaf-use of which is calculated to save enough grain to help relieve world starvation-there is possibly a little more taste than in the old bread, but it seems to be still the same old taste.

There were two loaves of the new bread on display at the Agriculture Department this morning, along with one loaf of the old-style bread. From one of these two new loaves, however, according to Don Lehman, assistant director of information for the department, something called "pro-carotene" had been removed. He explained that "pro-carotene" is simply a yellowish pigment with no nutritional value.

Gesturing toward the three sample loaves, placed side by side on a table, together with the saucers of the flour from which it was made, Mr. Lehman declared: "You can see that the new bread is a little darker than the old and that the loaf from which the pro-carotene has been removed is grayish, whereas the other is yellowish."

The reporter at first, could see nothing of the kind. On closer inspection he was able to detect a slight trace of gray in both the 80 per cent loaves. Mr. Lehman said that housewives would be able to choose whether they wanted their 80 percent bread with or without "pro-carotene." According to the Department's Bureau of Human Nutrition and Home Economics, both new loaves have a higher food and health value than the old-style loaves.

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From The Wall Street Journal, Feb. 13 -

FEDERAL ORDER TO RAISE FLOUR OUTPUT TO 80% IS EXPECTED TODAY-Washington-The Government order requiring millers to raise flour extraction to 80% is expected to be issued by the Department of Agriculture today.

In an effort to show consumers that the higher extraction flour would make a suitable loaf of bread, the Department of Agriculture yesterday produced several loaves of bread made from this flour. As none of the flour was available commercially, the Department milled some on a small mill at its experiment station at Beltsville, Md. Then Department home economists made it into bread along with white bread for comparison.

While the new bread has a slightly greyer tone than the loaves consumers are accustomed to buying, reporters sampling the darker loaf agreed that there was little, if any difference in taste. Cooking experts in the Department who made the bread said it was made from the usual white flour formula and did not contain any additional ingredients.

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"SCOTCH" DROUGHT-London-American and British Scotch whisky fanciers are due for a few more thirsty years-at least until 1948, probably longer. At present, Britain's acute grain shortage precludes any prospects that the British government will permit Scotland's 150 distilleries to resume full-scale whisky production, which was cut off at the war's outbreak.

As Sir Ben Smith, Minister of Food, pointed out recently, 330,000 tons of barley-life-blood of Scotland's distilling industry-were allocated to the whisky makers last year to carry them through the present season. But, Sir Ben says, the distillers will have to get along with the 110,000 tons issued so far, just enough to allow the industry to turn out a meager 13 million gallons of "Scotch" this year, or 43% of the pre-war level.

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From the New York Journal of Commerce, Feb. 13 -

MAY RYE FUTURES - Editorial - The Department of Agriculture has recommended to the Chicago Board of Trade the limitation or cessation of trading in May rye futures contracts. A request of this kind presents a serious problem to any futures exchange, since it may involve an arbitrary settlement of outstanding contracts, and in any event violates the principle of free and open markets.....

The Board of Trade will make the final decision, for the Department of Agriculture, through the Commodity Exchange Authority, can only issue recommendations in this matter. A limitation of trades to hedge transactions and the liquidation of speculative long positions would be the lesser of two evils in handling this delicate problem.

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SEE EARLY ARRIVALS OF NEW SUGAR - With the chances brighter for settlement of the tugboat strike by arbitration, sugar officials were hopeful that raw supplies would be coming into the Port of New York by the week-end.

Since last Wednesday the refiners in metropolitan New York were forced to close one by one as raw sugar from offshore areas was diverted to other Atlantic Coast ports.

Anticipating the end of the strike and a heavy movement of both raw and refined sugar from offshore areas during the next few months shipping operators are lining up a substantial fleet to carry sugar cargo, trade circles report. In the producing countries of Cuba and Puerto Rico approximately two-thirds of the mills are now grinding.....

Once this flow of new sugar begins to arrive it will be a matter of only a few days before refiners process it and start it moving into consuming channels...

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NEWS ITEMS - Surplus food offerings include large quantities of corn-starch, some canned tomato puree...Visible wheat supply down another 5,647,-000 bushels for week, but corn rises 3,211,000 bushels...Further restrictions on grain usage by liquor distillers imposed...Technical revisions in canned fruit-vegetable pricing issued...Grower price for pickling cucumbers set...Pennsylvania Salt Manufacturing Co. announces new company-financed retirement program...American Maize names Preston executive vice president...E. W. Brockenbrough, former chief of OPA's Fats, Oils, Dairy Products Branch, named manager of bulk sales division of Interstate Cotton Oil Refining Co., Sherman, Texas...Strong Washington stand in meeting postwar labor and agricultural problems is urged by H. H. Sack, prominent West Coast grocer, in an address before United States Chamber of Commerce marketing conference in Sacramento.

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NEW SALMON CURB WORRIES PACKERS - Alaska salmon packers are greatly disturbed by the reported move of the Department of Interior to enforce new regulations that would cut sharply the number of fish traps that any individual or corporation may own to twenty, reports from the West Coast indicated.

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From the New York Herald Tribune, Feb. 13 -

BOWLES ADMITS ERROR ON EARLY PRICE-CURB END, Washington - Price Administrator Chester Bowles has acknowledged to Congress that Office of Price Administration "missed its guess on all basic facts," (concerning food) and there will be long delays in the lifting of many price controls.

Mr. Bowles's confession of the incorrectness of the economic estimates given to Congress by the O.P.A. last fall was set forth in the hearings, dated Feb. 6, on an urgent deficiency appropriations bill reported to the House today by its appropriations committee.

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PRESIDENT TRIES 'TRUMAN LOAF,' FINDS IT TASTY, Washington - The Department of Agriculture plans to put the Truman administration's wheat-and-flour conservation program in effect tomorrow with publication of new controls limiting grain inventories and prescribing a darker bread, sources within the department said today.

Regulations providing some price incentive to early marketing of hogs and cattle were seen in the department as a possible later development. At the Office of Price Administration, representatives of the baking and biscuit and cracker industries sought price relief on the ground that the changed flour would bring reduced consumption and lift their unit production costs.

President Truman and Clinton P. Anderson, Secretary of Agriculture, tasted the bread ordered for the nation's eating tables, however, and said they saw little difference in it.

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From the Baltimore Sun, Feb. 13 -

NEW BREAD PASSES TRUMAN TASTE TEST - President Truman made a taste test today and said he couldn't tell any particular difference between white and "dark" bread—at least none to holler about. The dark bread is the kind that is to be on everybody's dinner table as a result of the presidential order to use more of the wheat kernel for flour, so more grain can be shipped to hungry people abroad.

Mr. Truman said the change is a small price to pay for saving millions from hunger and starvation. Newsmen were invited to sample and agreed they couldn't tell any difference in taste. Clinton P. Anderson, Secretary of Agriculture, supplied the samples. Anderson walked into Mr. Truman's office to give the President an idea of "how little different the new loaf is in appearance and taste from the bread to which Americans have become accustomed."

From the Washington Times-Herald, Feb. 13 -

FIRST LOAF OF 'TRUMAN BREAD' IS SAMPLED; IT'S ECRU, CHEWS BETTER AND TASTES SWEETER- UP - Secretary of Agriculture Anderson yesterday cut and tasted the first "Truman loaf" of bread, smacked his lips and said it's just like, "home backed" bread.

The first loaf backed from flour milled according to the President's new wheat-conservation order turned out be neither dark nor grey as forecast—but a pale ivory, which the experts dubbed "ecru".

Anderson didn't say so, but some other tasters thought the bread chews somewhat better and is a little sweeter.



From the Baltimore Sun, Feb. 12 -

OVEREATING, Washington - Mrs. Lafell Dickinson, president of the General Federation of Women's Clubs, said today that overeating led to "sluggish thinking" and that's why some Americans were "rebellling" against President Truman's food-for-Europe program.

"American people could still be well fed by denying themselves one third, or even one half, the amount of food they are now trying, with the help of American doctors, to digest," she said in a statement.

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AUSTRALIA TO EXPORT MORE FOOD TO BRITAIN, Sydney - Australia will ship Britain about 1,000,000 tons of food this year as compared with about 700,000 tons in 1945, Australian Commerce Department officials said today.

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From the Chicago Daily Tribune, Feb. 8 -

FARMERS PATCH OLD MACHINES IN STRIKE CRISIS - Farmers near Chicago have given up hope of obtaining new farm implements and are working desperately to patch up obsolete machines for the approaching season's work, a survey of county agricultural advisers disclosed yesterday.

John Brock, Will county farm adviser, said farmers in his community are anxious to get to work because they know that the need for agricultural produce is as great as it was during the war. But Brock said, farmers are disturbed because they are hindered by lack of machinery, a lack caused by strike bound implement plants. He said rural leaders are perturbed about the steel strikes and anxious to see them settled.

"Parts are just as hard to get now as during the war," Brock said. "In fact, some parts are harder to get. This is particularly hard on the farmers because they have been forced to operate machinery long after it is obsolete. There are many machines, coaxed thru four years of war, that will give out this year. Nevertheless, the farmers are going ahead with their plans and hoping to get by somehow."

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From the Memphis Commercial Appeal, Feb. 7 -

COTTON UPHOLSTERING FOR AUTOS SUGGESTED - Manufacturers of upholstery materials for automobiles are pressing the National Cotton Council to suggest to the Department of Agriculture that there is a large untouched market for low grade cotton in this field.

The felting--or stuffing of automobile seats as the car owner is wont to call it--at present is made up largely of cotton waste and linters, that fine fuzz which is cut from the seed at the oil mill. Although completely adequate as a cushioning material, the cotton waste and the linters lack the resiliency of the raw cotton fiber.

The manufacturers advocating cotton agree that if they are provided cotton at a reasonable price, they can build cushions with better wearing characteristics and more resiliency--bounce--than can other manufacturers using other materials. They estimate that 10 percent raw cotton, of the short staple, resilient types grown in West Texas, added to the present mixture will provide a cushion superior to any competitor. Should 25 percent raw cotton be added, the product would be far superior, they say.

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From the New Orleans Times-Picayune, Feb. 8 -

PRODUCERS MAY CERTIFY COTTON, State College, Miss. - Outstanding cotton breeders and growers in Mississippi at a meeting here called by the Mississippi Seed Improvement Association agreed to a man in favor of lint certification and discussed at length the mechanics of practical application.

Starting the ball rolling, Oscar Johnston, president of the National Cotton Council, endorsed the idea of starting a lint certification program in Mississippi.

Mr. Johnston, like other speakers, pointed out the problem of working out a successful lint certification program for the state which would be free of flaws. He praised the work of the Mississippi Seed Improvement Association which "has made more progress in getting better seed and protecting buyers than any other association in the United States."

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From the Western Grower and Shipper, February -

DUCK HERDING - To abolish the time lag every year, when funds are raised for protection of Imperial Valley crops from wildfowl, the county supervisors recently created a Duck Depredation Trust Fund, under a special "urgency ordinance."

Crop losses to vegetable growers and others have been steadily increasing. After irrigation of a 100-acre lettuce field, for instance, thousands of birds can swoop down, eat their fill, and destroy the rest by mud.

Herdling away from crops, to Federal and state game feeding grounds, is the remedy, and this trust fund will provide the sinews of war. The county has allotted an unspecified sum to the fund.

The hazard this season was increased by reported plans of Mexican vegetable growers to have ducks herded on their side of the line by Mexican Government planes, under a Government subsidy. American growers feared that the birds would be herded across the line, into their crops.

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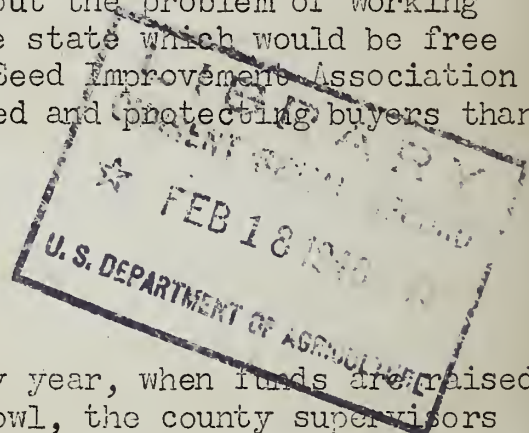
From the St. Paul Pioneer Press, Feb. 10 -

CORN LOSSES TANGLE U.S. FOOD PROBLEM - Official admission of a 300-million bushel shrinkage in the 1945 corn crop, confirming definitely for the first time insistent reports by the Pioneer Press and Dispatch of heavy corn losses due to early frosts last fall, suddenly threw a new complication into the problem of national and international feed and bread grain shortages Saturday night.

The shrinkage in corn output was disclosed in Washington by Secretary of Agriculture Anderson. The shrinkage is due to decline in feeding value of huge acreages of corn in Minnesota, Iowa, Wisconsin and other states because of early freezing and high moisture content of much of the present corn supply.

Secretary Anderson said that the 1945 corn crop had an effective feeding value of close to 2,700,000,000 bushels of corn. This is 318,410,000 bushels less than the 3,018,410,000 bushel corn crop as officially estimated by the government last Dec. 18.

This admitted shrinkage in the corn crop quickly became a conspicuous factor in shaping the government's plans for conserving corn and wheat.





(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 14 -

**TUG STRIKE ENDS, MEN RESUME WORK TODAY**-An agreement to end the ten-day-old strike of tugboat workers, which paralyzed harbor shipping and brought about an acute fuel shortage that led to the shutting down of the normal business life of the city for eighteen hours on Tuesday, was announced by Mayor O'Dwyer at City Hall last evening.

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**PAY PRICE POLICY NEAR, WAGE CONTROL BARRED**-Washington-President Truman will not reimpose governmental control of wages, according to reports emanating today from several government agencies.

At the same time, it was said that the President's signature on the new wage price formula was imminent, but that there was also a possibility that twelfth hour developments might further delay promulgation of the document.

What these last hour developments might be was not indicated, but there were reports that they were connected with last minute changes in the steel price decision and also with a White House visit by Paul Porter, chairman of the Federal Communications Commission, who is slated to become OPA Administrator if Chester Bowles is made supreme stabilization officer.

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**BIG FIVE URGE UMO ACT NOW ON FOOD**-London-The United Nations General Assembly called on its fifty-one members today to avoid the "catastrophe" of worldwide famine and starvation by "immediate and drastic" action to save and grow more food.

A five-power resolution was introduced by Foreign Secretary Ernest Bevin whose Government was forced to cut rations last week. He painted a stark picture of millions in want and his words were echoed by Edward R. Stettinius head of the American delegation. "It is not easy," Mr. Stettinius declared, "to preserve peace and freedom among hungry men wherever they may live--whether it be in Greece or in Indonesia or in Iran or in any other part of the world. Starvation breeds unrest and its effects linger on long after its causes have been removed."

The resolution was moved by Mr. Bevin on behalf of Britain, the United States, China, France and the Soviet Union. It was reinforced by a letter from Herbert A. Lehman, director general of the UNRRA, setting out the gravity of the world's food prospects.

Coincidentally, the British Government issued a White Paper on the world's grain position, showing that European wheat production had fallen from 42,000,000 tons, the 1934-38 average, to 23,000,000 tons in 1945.

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**SHORTAGE OF FLOUR IMPENDING IN CITY**-John A. Valenti, Acting Commissioner of Markets, warned yesterday of a shortage of flour in the city. He attributed the shortage to the heavy buying by housewives from retail grocers because of the announcement of President Truman's plan limiting the percentage of wheat in flour. Commissioner Valenti cautioned housewives that flour stored over a prolonged period would develop weevils. He said that this would happen unless the flour were stored in a cool place.

(Turn to page 2 for other items - - - -  
in today's N. Y. Times.)



**SENATORS SAY CCC FOGS GRAIN CRISIS**-Washington-The Senate Agricultural Committee accused the Commodity Credit Corporation of "secret negotiation" in grain sales, contributing "substantially" to the present grain crisis, and competing with private enterprise. The committee said also that the procedures used in buying, storing, and selling grain were "open to possible graft, collusion and favoritism."

The accusation were in an interim report on the committee's continuing investigation into matters relating to food production and consumption. The report was signed by Senators Elmer Thomas, Democrat, of Oklahoma, the committee's chairman; Burton D. Wheeler, Democrat, of Montana; Harlan J. Bushfield, Republican, of South Dakota, and Tom Stewart, Democrat, of Tennessee. The committee said its findings were based on the testimony of representatives of the the corporation, the Department of Agriculture, Office of Price Administration producers, dealers, exporters of grain and officials of the Chicago Board of Trade.

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**RYE MOVES HIGHER ON SHORT COVERING**-Chicago-May rye closed strong today on the Board of Trade, at an average advance of  $4\frac{1}{2}$  cents a bushel. Short covering followed an announcement that the Senate Agricultural Committee had recommended that the Office of Price Administration raise the ceiling price on the new crop, which, unless changed, will become effective June 1.

At the close, May rye averaged \$2.12  $\frac{3}{4}$ , or  $70\frac{1}{4}$  cents over the proposed ceiling on the new crop, as reflected by the price of futures. There was no trading in the latter, with ceiling prices bid freely. The active deliveries of oats finished unchanged to  $\frac{1}{8}$  cent up, with May and July holding at the ceiling.

More than 1,000,000 bushels of corn futures were transferred today, brokers estimated, almost entirely in the way of changing among various deliveries. There were open market transactions on May, July and September wheat, but the amount sold was far from taking care of the buying orders in the market, and ceiling prices prevailed throughout the day. Barley finished unchanged at the permissible maximum price.

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**SOME GAINS MADE IN COTTON PRICES**-Fluctuating over a fairly wide range, the cotton futures market on the New York Cotton Exchange closed yesterday unchanged to 7 points higher than on Monday.

Starting 3 points lower to 5 points higher than the preceding close, the market broke to losses of 15 to 19 points on active months on liquidation through commission houses and from Southern selling. The selling, however, spent its force, and when some late trade buying appeared, a shortage of contracts developed. The market showed nervousness over Washington developments and the trade talked of another offering of 850,000 bales of Government cotton within a short time.

**WOOL FREIGHT RATES CALLED OUT OF LINE**-Chicago-A Department of Agriculture freight rate specialist, Charles H. McLeod, in the division of transportation, said today wool freight rates, compared with those for 200 other commodities, were "way out of line."



From the New York Journal of Commerce, Feb. 14 -

RAIL PRIORITY DUE FOR RELIEF FOODS - The Interstate Commerce Commission has prepared a new order which will give priority in rail shipments to relief shipments overseas, it was learned here yesterday. The new order which is expected to be issued shortly is designed to tie in with recent executive orders requiring increased shipments of grain and other foodstuffs abroad.

According to informed traffic men, the substance of the order is that wherever a car shortage exists and a demand is made for cars to haul relief foodstuffs to ports, railroads will be required to give preference to the relief shipment.

A shortage of both box and refrigerator cars continues to be experienced, although the railroads have lately been able to increase utilization of available equipment.

Traffic men feel that the impact of the new order will be felt particularly in grain loading areas where shippers of other commodities and non-relief grain shippers of other commodities and non-relief grain shippers may experience some difficulty in obtaining cars. In addition to grains, the other foodstuffs which will enjoy a high priority include frozen meats, evaporated milks, lard and cheese.

The actual date of which the order will be issued is still uncertain. Some circles believe that it has been delayed because of the towboat strike in the Port of New York which has not only materially retarded the flow of commodities to Europe but which has also threatened to place an increased burden on the rails to meet the local fuel shortage.

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DRASTIC SHIPMENT CURBS ON GRAIN DUE, Washington - Col. J. M. Johnson, director of the Office of Defense Transportation, has announced that the grain industry could expect a series of rather drastic orders, designed to assure an adequate supply of equipment and prompt transportation for the tremendous export wheat program.

Admitting that the present supply of cars suitable for grain loading is not adequate to immediately meet all of the needs in all sections of the country, the colonel stated that the real reason the grain is not at this time in export position is due to the fact that the shippers have elected to use the cars which have been made available for grain loading to fill domestic needs, instead of filling outstanding orders for export grain, and is not due, as has been incorrectly states, to inadequate transportation facilities.

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STEEL STRIKE CALLED THREAT TO 1946 FARM CROPS PROGRAM, Washington - Agriculture Department officials said today that strikes in the steel and farm machinery industries raised the question whether farmers would have enough machines to meet this year's crop goals.

The officials told an interviewer that strikes already had cut sharply into the production of planting and harvesting machinery badly needed this year. A steel shortage arising from the strike and said also to be hampering the manufacture of machinery of plants unaffected by labor difficulties.

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(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 305-45-3



From the New York Journal of Commerce, Feb. 14 (Cont) -

RAISIN SURPLUS REPORT DISPUTED - A report from the Department of Agriculture, Washington, stating that there was a surplus of raisins in this country--more than anybody can use--evoked sharp dissent yesterday in local dried fruit circles.

For weeks distributors and traders generally have been without supply, and have also been unable to obtain any ships from packers on the Coast. The supply situation some time ago became so acute that efforts were made to have the Department of Agriculture stop shipping both raisins and prunes to England and Canada, from the set-asides held for Government account.

There are no spot offerings of raisins at the moment, outside of some Thompson seedless varieties, 144/1½ oz. packages, at \$3.35 per case. Otherwise, muscats, bleached and other varieties are unavailable here.

MARKETS - Hogs continue active at ceilings--Further price shading in Eastern iced chickens...Salad greens in better price position...Best apples, strawberries firm at ceilings...Reports of butter black marketing on increase...Eggs for speculation bring good prices....Cheese output below year ago.

BRAZIL WILL BUILD THREE SUGAR REFINERIES - Brazil is seeking bids on construction costs for three new sugar refineries and distilleries with a capacity of 30,000 bags apiece.

From the New York Wall Street Journal, Feb. 14 -

BABY CHICKS FLY BY PLANE FROM HATCHERY, Wichita, Kans. - Chicks just out of the shell are being flown from hatchery to brooder this year. In a single February week 3,000 brand new chicks went by air express from the Wichita airport to New York, Maryland, Florida and Port au Prince on the Isle of Trinidad. Earlier flights have gone to both the Atlantic and Pacific seaboards and out of the United States to Mexico, Porto Rico, and Costa Rica.

What is happening at Wichita is duplicated at every large hatchery center. Airline executives anticipate carrying several million chicks by July and a greater volume next year.

POPULAR FLOUR BRANDS may be casualties of the 80% flour extractions order. Philip W. Pillsbury says that while he applauds President Truman's order to share the wheat with hungry Europe, and is confident that Pillsbury experimental millers have made the best possible bread from the darker flour, he is not going to send dark flour to market in any sacks branded "Pillsbury's Best."

Other millers will probably follow suit. Their trademarks are too valuable to connect in the housewife's mind with the appearance of breadstuffs from darker flour.



From The Pioneer Press, St. Paul, Feb. 11 -

**U. S. ECONOMY UPSET BY DRIED EGG POLICY**-By Samuel Grafton-Dried eggs are cherished in Britain, which alone is enough to describe the fix that country is in, and the one item in Food Minister Sir Ben Smith's new austerity program which has most aroused British resentment has been his stopping of dried egg imports. Sir Ben has dropped purchases of this delicacy from us because the cost comes to 140 million dollars a year, and he does not have the dollars. At this point we go straight into Alice in Wonderland. We cut off lend-lease to Britain to save money; that stops Britain from buying our eggs; now we find we must spend money, anyway, to buy eggs we don't want, and we triumphantly finish up out-of-pocket for eggs which are to be kept in storage in a hungry world.

There is a bit of the Alice in Wonderland touch about many aspects of our American food situation. We start with the odd fact that we have never eaten more than this year, in a world which has never eaten less.

We go on to the even odder fact that, because of President Truman's new program for saving grain, we are going to eat still more. We shall feed less grain to our livestock in order to have more to send to Europe; the immediate effect must be a large increase in slaughter and a corresponding increase in our meat supplies over a period of at least several months.

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From The Watertown Daily Times, Feb. 11 -

**AMERICA, GRAY BREAD AND EUROPE**-Editorial-Americans might not mind eating the so-called gray bread if they could have the full story of conditions in Europe. Gray bread, in case of doubt, is a loaf in which the wheat content is reduced so that it assumes a darkened appearance. UNRRA says that 100,000,000 Europeans must be fed by American food shipments in the next six months. Even if we send the proposed 12,000,000 tons of wheat before the end of 1946, the supply will be 5,000,000 tons short of what is necessary. Our help therefore, will keep most Europeans alive but not all of them.

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**HUNGRY MASSES SOIL FOR ANARCHY, CHAOS**-By Dorothy Thompson-If President Truman's imposition of wheat controls and informal rationing comes as a shock to the American people, it is only because the facts about conditions in Europe have not been aired, but instead have been suppressed. Even now President Truman's order does not illuminate the desperation of the situation. More can be learned from a discussion which took place in the senate on Jan. 29, when Senator Wherry introduced a concurrent resolution signed by six other senators, calling for a joint congressional group to make an official visit to Germany and other places to obtain information regarding conditions, and actions which might be taken to improve them...

We must now make sacrifices to help undo what our own policies have contributed to create. We must get food, medicaments, and relief into the Axis countries, from which UNRRA is barred. Starving masses are soil for anarchy, chaos, crime, insanity, epidemics, nihilism. Conditions in parts of Germany duplicate the horrors of Buchenwald and Belsen--and all in the name of democracy, Christianity, humanity.

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From The Pennsylvania Farmer, Feb. 9 -

**NOT ENOUGH BREAD-Editorial-**Now this country faces a shortage of wheat after harvesting the largest crop in the history of any nation. Millers whose storages were full just after the harvest are having trouble to get enough wheat to keep their men and machinery at work. Sometimes they have had to take something else along with it in order to get wheat. Restrictions on the use of wheat in distilling are now in effect and other restrictions are proposed. The Secretary of Agriculture makes a direct appeal to farmers to market their supply, so much needed here and abroad. The program which calls for the exportation of 225 million bushels during the second half of the current crop year may not be carried out. This for lack of shipping or lack of wheat or both. The world is short of breadstuffs after years of war and its awful wastes of men and things.

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From The New York Herald Tribune, Feb. 13 -

**THE SCHOOL LUNCH-PROGRAM-Editorial-**There can be little quarrel with those who argue that if we are to have a Federally aided school lunch program, it should be directly authorized by Congress. It should not depend upon a miscellaneous item in the agricultural appropriations bill. This argument is advanced both those who want a school lunch program but want it established on a scientific basis.

This particular Federal-aid program, dating back some ten years, was undertaken without benefit either of profound theorizing on state versus Federal functions or of scientific planning. There were price-depressing food surpluses then which it would have been folly to waste while school children needed food. Congress first appropriated for school lunches to provide a channel for distribution of those surpluses. When there were no more surpluses, it continued to appropriate because the program had shown striking results in improved child health which carried over into better school work.

Discontinuance of Federal funds, now \$50,000,000 annually, would doubtless jeopardize that good project in the very communities where it is most needed. Were the program set up under a bill scheduled for early consideration in the House of Representatives, many of the arguments against Federal aid would be met.

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From The Atlanta Constitution, Feb. 11 -

**FOOD AND EUROPEAN CONDITIONS-By Joseph and Stewart Alsop-Washington-**The decision to ask the United States to eat gray bread in order to feed Europe was a notably courageous act, by an administration which has not often shown notable courage. But President Truman in announcing his decision did not tell the complete story. In short, our very modest austerity will keep most of the people in Europe alive. But they will only be kept alive by a diet on which, if long continued, they would all starve in the long run. Without our contribution, deaths by starvation would quite soon become general. With our contribution, there should not be many actual deaths during the emergency.

It may not seem extraordinary that so gruesome a situation has been permitted to build up for so long. The appearance is not deceptive. As far as this country is concerned, the original error was made last year, when the agricultural subsidy program was so adjusted that it was more profitable to feed corn and grain to hogs and cattle for the meat market, than to sell grain direct for human consumption. Yet a few farsighted individuals recognized this error long ago.

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(For February 15, 1946)

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 15 -

TRUMAN ANNOUNCES HIGHER WAGE-PRICE POLICY; BOWLES IS ECONOMIC CHIEF; PORTER HEADS OPA-Washington-President Truman modified tonight the national wage-price policy "to permit wage increases within certain limits and to permit any industry placed in a hardship position by an approved increase to seek price adjustment without waiting until the end of a six-months period."

At the same time, the President announced a shake-up in personnel, re-establishing the Office of Economic Stabilization with Chester Bowles as its director, and transferring Paul A. Porter, Federal Communications Commission chairman, to the post of OPA Administrator.

RISE IN BUTTER PRICE URGED BY DAIRIES TO END SHORTAGE-Washington-Representatives of the dairy products industry told a House committee today that substantial increases in the price of butter were needed if production was to be increased, black markets discouraged and shortages ended. Testifying before a special committee investigating food shortages, owners of three creameries and officers of trade and marketing associations agreed on the necessity for higher butter prices to assure "an equitable distribution of cream" among the many dairy products.

Higher returns for dairy farmers were generally proposed to check a declining rate of dairy production. One witness doubted that higher farm prices would increase output in view of the shortages of labor and feed.

John Brandt, president of the Dairy Products Marketing Association and the Land O'Lakes Creamery, recommended that prices of all dairy products be raised an average of 25 per cent as an incentive to the farms and specified that the price of butter should be lifted 10 to 12 cents a pound.

BRITAIN'S OUTLOOK FOR FOOD DARKENS-London-Sir Ben Smith, Minister of Food, replied to critics in the House of Commons today by predicting still greater shortages of food than those whose announcement last week led to such dismay and so many accusations of incompetence and lack of foresight. One dismal fact after another came from Sir Ben's lips as he told of crop failures, droughts, and shortages of wheat, rice, sugar, fats, cheese, starch and bacon.

He warned of a possibility of making bread even darker than it is going to be in the next few months. He feared there would have to be another cut in fats ration later in the year. And both he and Hugh Dalton, Chancellor of the Exchequer, made it plain that, if the American loan did not go through, there would be still greater privations.

FOOD RELIEF PLAN APPROVED BY UNO-London-The United Nations unanimously adopted today a Big Five resolution aimed at meeting the world-wide food shortage after India's Sir Ramaswami Mudaliar had made a moving appeal for help "from countries we helped when we were in sore need." Sir Ramaswami reminded the delegates to the General Assembly that more than 1,500,000 had died during 1942-43 famine in India and added: "We cannot, and we dare not, face a similar situation again." (Turn to page 2 for other items from today's N.Y. Times.)



From The New York Times, Feb. 15 (Cont.) -

**MOST GRAINS QUIET, RYE PRICES ERRATIC**--Chicago--May rye fluctuated in a most erratic manner today on the Board of Trade, advancing early, only to break 4 1/8 cents bushel from the top on selling led by professional traders, then show strength on a reversal of action of the Winnipeg market and finish near the top with a net gain of 1 1/2 cents.

A little trading was on in wheat futures in the way of changing from May to July at ceiling prices, but no business was transacted in corn or barley. Oats futures were unchanged on May and July at a permissible maximum price, and the deferred months moved up 3/8 cent to close within 1 1/4 cents of the ceiling.

No change was shown in the cash wheat situation, with traders and mills disposed to await developments in regard to the proposed Government program.

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**COTTON ADVANCES TO 22-YEAR HIGHS**--On rumors of a more liberal price-wage policy in the near future, cotton futures on the New York Cotton Exchange soared yesterday to twenty-two-year highs and closed with net gains of 7 to 27 points. The distant months were relatively stronger than the near months.

The market opened 2 points lower to 4 points higher than the preceding close and rose sharply during the early trading, at one time establishing net gains of 13 to 32 points.

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**PRICES RISE 0.3% TO POST-WAR PEAK**--Washington--Higher prices for both Agricultural and industrial commodities during the week ended on Feb. 9 raised average primary market prices 0.3 per cent. At 107.1 per cent of the 1926 average, the index of commodity prices in primary markets prepared by the Bureau of Labor Statistics, United States Department of Labor, was at a new postwar peak. It was 2.1 per cent above the corresponding week of 1945.

The group index for farm products rose 0.5 per cent, with generally higher prices for agricultural commodities, to a level of 2.8 per cent above early February, 1945.

The higher prices for fruits and vegetables were primarily responsible for the advance of 0.4 per cent in average food prices. Average prices for foods during the week were 2.1 per cent above the corresponding week of last year.

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**OPA RAISES PRICES FOR COTTON FABRICS**--Washington--The Office of Price Administration announced increased prices today for several combed cotton fabrics, a number of minor cotton textile items, cotton blanket-robe cloth and low-priced 25 per cent wool blankets. The increases go into effect tomorrow.

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**KEEP RATION BOOK, OPA URGES PUBLIC**--Washington--The Office of Price Administration advised housewives today to keep their copies of War Ration Book 4 even after sugar Stamp 39 had been surrendered. The agency explained that other "spare" stamps in the book would be authorized for purchases of sugar "from time to time," after Sugar Stamp 39 expires on April 30.

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From the New York Wall Street Journal, Feb. 15 -

FARM PRICES will rise under the new wage-price formula. More money for food and fibre will be automatic with an increase in the cost of industrial products. Ceilings on farm commodities are tied by law to parity. Most agricultural products are pushing against their ceilings now. More subsidies could be used to hide the increased consumer grocery bill--if Congress says yes--but that would add to the taxpayer's load. Temporary shortages of foods, like grain and meat, can result from on-the-farm hoarding in anticipation of higher prices to come.

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WORLD WHEAT shortage stems partly from too-liberal policies abroad. Some foreign countries unjustifiably liberalized food rations after the war, agriculture officials say, despite State Department efforts to prevent it. Now the grain shortage has forced these countries to cut back. The U. S., too, officials feel, must make a gesture toward tightening its belt--psychological diplomacy. Millers say the new wheat extraction order is primarily such a gesture, and will save little wheat. But the State Department cried "sabotage" when Agriculture Secretary Anderson cut the extraction rate to 80%, from a proposed 85% rate.

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TRUMAN met with Western Congressmen on a new Secretary of the Interior. Sen. O'Mahoney (D., Wyo.), mentioned as a possible successor to Harold L. Ickes, said he discussed the vacancy with the President but said there was no news. Sen. Hatch (D., New Mexico), chairman of the Public Lands Committee, said he thought no decision had been made although he advocated a Westerner familiar with problems like reclamation and irrigation. Western legislators carry weight on Interior Department matters because the Department manages large Federal land holding in their states.

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R. J. REYNOLDS TOBACCO CO.-- Has purchased 17 acres in Greensboro, N. C., for the construction of a large stemming and redrying plant which will employ 500 workers.

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SOUTH PORTO RICO SUGAR CO. OUTLOOK HELD FAVORABLE, Jersey City - The outlook for the South Porto Rico Sugar Co. this year appears favorable, Carl S. Nadler, president, told stockholders at the annual meeting. Prospects are that there will be a heavy demand for sugar at least through 1947.

The company started grinding operations in Puerto Rico on January 22 and it is estimated the crop will be a little less than the 104,090 short tons of sugar produced last season. Operations on the 1946 Dominican crop started in December with a normal crop anticipated. This would mean production of around 200,000 tons....The company is now getting a temporary price of 3.67½ cents a pound for its Dominican 1946 crop from the British Ministry of Foods in line with the tentative sales price for Cuban sugar sold to the United States.

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(Turn to page 4 for other items  
from today's N. Y. Wall Street Journal)

Farm Digest 215-46-3



From the New York Wall Street Journal, Feb. 15 (Cont) -

BOOSTS GRAIN MARGINS, Chicago - The Board of Trade Clearing Corp., effective tomorrow, increased the margin requirements to clearing members from six cents to 10 cents per bushel on net open interest in wheat, from four cents to 10 cents a bushel on corn, from six cents to eight cents on oats and from five cents to 10 cents a bushel on barley. Margin requirements May rye and all other rye contracts remain unchanged at 25 cents a bushel.

The margins on lard also were raised from 70 cents to \$1 per 100 pounds and on cotton from \$1 to \$2 per 100 pounds.

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From the New York Journal of Commerce, Feb. 15 -

BRITISH OPPOSE U. S PROPOSAL FOR WORLD COTTON, Washington - American proposals for an international cotton commodity agreement have met with British opposition, based on the United Kingdom claim that a world cotton pact is not necessary at this time.

Final sessions of the international cotton study group are slated later this month. At that time the group will draw up its recommendations which will be submitted to the international cotton advisory committee, composed of major cotton consuming and producing powers.

Buttressed by the strong support of India, the United States representatives in the cotton group are thinking in terms of an international cotton agreement which would give this country around 50 per cent of the export market, and a price range of around 3c for the world cotton price.

The sharp rise in United States cotton prices has caused difficulties in the cotton sessions, reflected in British fears that an agreement would perpetuate present high levels. In the early sessions, the United States delegates talked about a range of 3c, around a world cotton price of some 17c to 20c. In the light of present world cotton prices, the range would probably be some 22c to 25.

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CARLOADINGS SHOW 1.4% DROP IN WEEK, Washington - The Association of American Railroads reported today that 713,240 cars of revenue freight were loaded during the week ended last Saturday. This was a decrease of 9,895 cars, or 1.4 per cent, compared with the preceding week; a decrease of 42,592 cars, or 5.6 per cent, compared with the corresponding week a year ago, and a decrease of 79,941 cars, or 10.1 per cent, compared with two years ago.

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FLOUR - reports in milling circles indicate that Government higher extraction order may be out today. Mills are swamped with inquiries for flour and by shipping directions which they cannot satisfy. Contract obligations will be invalidated by the order, according to reports reaching the trade, but official confirmation is lacking.

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From The Chicago Journal of Commerce, Feb. 13 -

**CATTLE PRICE CUT DEMANDED BY ARMSTRONG**-Cattle prices must go down so that packers can operate within Office of Price Administration compliance levels, despite present orderly marketing by shippers and strong consumer demand, before meat production will increase to a normal rate, Gayle Armstrong, government representative in charge of seized packing plants, said yesterday.

How to straighten out this paradoxical situation was something Mr. Armstrong could not answer, unless cattle runs reach sufficient numbers to take the control of the market away from small operators who are apparently willing to crowd or exceed compliance prices.

Mr. Armstrong said that OPA investigations into the activity of eastern order buyers, who have forced low grade cattle prices out of line with the worth of dressed meat as set under ceilings, "were doing some good, but we've got to go further," before the big packing houses can get back into full production.

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**FEED GRAIN DECREASED BY WHEAT SAVING**-In rejecting a plea of the milling industry that voluntary rationing of white flour be substituted for the government's plan to put the nation on dark bread, the secretary of agriculture conveys the suggestion that the administration is determined to save wheat, even if the supply of feed material is cut down. By increasing the extraction of flour from wheat the quantity of millfeed automatically will be decreased.

If this saving of wheat is amplified by other corrections in the use of wheat for feed, the move should be worthwhile, as too much wheat has been fed to stock the last year in consideration of the great demand for food for starving people in wartorn countries. Meat and dairy products also are important foods but for quick relief grain and flour is necessary. Much of the stock now being fed will not be ready in time to help.

One of the big troubles in the feed grain situation has been the ceiling price on corn. If the marketing or cash value of corn were approximately related to the feeding values, there would be a freer movement of corn into marketing channels, so that wheat would not have to be used. Corn then could be kept out of black markets, as the market price would not permit sufficient margin of illegal profit to pay feeders to go out of the regular channels to get corn.

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From The Commercial Appeal, Feb. 12--

**FEED FOR LIVESTOCK IS CRITICALLY SHORT**-Livestock feed supplies are critically short in the South and will continue so for several months, according to Will A. Hall of Memphis, president of the International Sugar Feed Co., in a warning letter to Southern stockmen yesterday.

"The market value of Southern livestock products in 1945 was \$2,090,000,000 while cotton and cotton seed brought in only \$1,169,000,000," Mr. Hall stated. "These figures show the growing importance of livestock production as a major Southern industry. While this increase in the livestock population has boosted demands for livestock feeds, at the same time weather conditions have reduced supplies for the animals."

"Regardless of a record grain crop, which should have been harvested in 1945, weather conditions have reduced total production to the point that the supply of feed grains, including wheat, will not fill more than 75 per cent of immediate demands."

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From The Davenport Democrat and Leader, Feb. 12 -

**RESULTS OF 1945 CORN YIELD TEST: MOISTURE CONTENT HIGHEST IN YEARS**-Ames, Ia.-Entries in the 1945 Iowa corn yield test had the highest moisture content of any year in the last 10; the lowest yield per acre of any year in the last nine, except 1941; but the best average stand since 1941. More stalks were broken and lodged than in any of the past four years and maturity and yield per acre ranged widely in all sections of the state.

This, in general, was the story which Iowa farmers and corn breeders heard at Iowa State college Tuesday during an agronomy session of Farm and Home week.

Because of heavy rainfall one of the 12 districts in the Iowa corn yield test was not planted; another was not harvested because of the exceedingly high immaturity of the entries; and a third field had to be abandoned because of the injury to the stand by rain shortly after it was planted.

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From The Commercial Appeal, Feb. 12 -

**STUPID HOARDING**-Editorial-The business of rushing out to buy beyond normal custom and need in a time of national emergency has never had any commendable aspects, but in certain instances the selfishness of the individual may have found some gratification in the matter of having too much while others went without. There is nothing, however, to justify the hoarding of white flour in the face of the news that flour textures will be changed for the next few months to help prevent mass starvation in Europe and Asia. The stuff just simply won't keep long, for under ordinary storage conditions it becomes musty and gets weevils in it.

The housewives who have been raiding the stores in many cities of the country are being stupid as well as greedy when they overbuy flour. They are temporarily at least, upsetting the market and making it impossible for the saner and more praiseworthy to get any flour at all. There is flour in plenty for all normal needs, but in some communities the distribution balance has been disturbed, for the time being through the silly dash. At the same time, these hoarders are wasting their own money and are taking a course that leads to the spoilage of otherwise good food in a world that needs victuals worse than at any other time for decades.

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From The Times-Picayune, Feb. 11 -

**WHEAT CARS GO WEST**-Alexandria, La.-Twenty-one special type railroad wheat cars, known as "covered hoppers" were handled through Alexandria this week on their way from Oklahoma to the port of New Orleans over the Rock Island and Southern Pacific railway.

The cars were born of the necessity of war years, according to Charles Rucker, district freight agent for the Rock Island here. In 1943, when the railroads could buy no new equipment and the old was wearing thin, the idea of handling bulk wheat in a battleship type coal car was conceived.

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From the Washington Farmer, Feb. 7 -

**OUTPUT OF DDT INCREASING**-Manufacturers turning out DDT in the United States were producing it at the rate of more than 3,000,000 pounds a month on Sept. 1. Up to that time most of the output had been going to the military services.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, Feb. 18 --

**SPEED REGULATIONS FOR WAGES, PRICES**-Washington-While Chester Bowles was busy today writing out the plea he will make tomorrow that the House Banking and Currency Committee extend price controls, officials responsible for preparing the new wage-price formula were busy working on plans to avoid the danger that the National Wage Stabilization Board may be swamped with cases before it is ready to handle them.

The tripartite Wage Stabilization Board, comprising six representatives of labor, industry and the Government, headed by W. Willard Wirtz, will begin tomorrow formulation of some blanket regulations exempting certain large blocs of wage cases from board consideration.

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**EXPERTS WILL TELL HOW TO SAVE MEAT**-With meat supplies still one third below normal demands in this city, the restaurant and hotel trades announced yesterday a demonstration for their employes of how to make a piece of meat go farthest. Housewives who want to pick up a few tricks of the professional chefs will be permitted to attend the cutting-and-cooking show and lecture.

Paul Henkel, president of the Society of Restaurateurs, said that group and the Hotel Association of New York City were jointly sponsoring the demonstration in line with President Truman's request for conservation of food.

"Inasmuch as meat is recognized as a No. 1 food item, this will be the first series of demonstrations of food items in use in the restaurants and homes," Mr. Henkel said.

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**SCHOOL LUNCH PLAN NEAR CONGRESS TEST**-Washington-A Government plan to supply virtually every school child in the country with a daily lunch headed today to the voting stage in Congress.

Chairman Flannagan of the House Agriculture Committee said legislation providing for a permanent school-lunch system was set for House consideration Tuesday.

For a decade now the Agriculture Department has helped States pay for lunch programs but the Department depended on year-to-year provision of funds by Congress. Many States have not taken up the idea, partly for fear Congress would let it die.

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**PLAN 'EAT POULTRY' CAMPAIGN**-Georgetown, Del.-A bumper poultry crop and cancellation of large Army and Navy orders have left eastern Pennsylvania, New Jersey and Delaware with a considerable surplus of poultry, Jack Birl, president of Local 199, Meat Cutters and Butcher Workmen, said today. He said a campaign would be started, with endorsement of the Meat Cutters Joint Council (AFL) to mobilize 10,000 retail employes to promote an "eat poultry" campaign, Feb. 25 to March 11. (Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, Cont., Feb. 18 -

**CEILING PRICE RISE ON GRAIN EXPECTED-Chicago**-A strong probability that ceiling prices on grains will be raised soon and possibilities of inflation sent the grain markets upward last week on the Board of Trade, with September and December oats selling at a new seasonal high and within a small fraction of a cent of the ceiling price, while May rye, the only grain future not currently affected by Government price regulations, came within a few cents of equaling the high price since July, 1920.

The announcement by the Government that there is a world shortage of grain still is a subject of comment in the grain and milling trades, with wonder expressed that drastic action was not taken previously to curtail consumption in view of the fact that the statistical information as to the European and world situation was known in official quarters at least seven months ago. However, announcement of the Government's grain-saving program late last week failed to have any effect on prices, although the regulations are expected to result in a saving of probably 50,000,000 bushels of wheat, which presumably will be added to the carry-over at the end of the season. Brokers continue to doubt that the Government will be able to meet its export program.

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**COTTON CONTINUES ITS UPWARD TREND**-Cotton prices in the domestic market last week continued their upward trend and all active futures deliveries sold above the 26-cent level, the highest in about 'twenty two years. At the close on Saturday active futures contracts on the New York Cotton Exchange were 47 to 58 points above those of a week earlier.

The continued increase in prices was attributed to a demand influenced by general inflationary forces the expected improvement in consumption and exports stimulated by the President's announcement late in the week concerning the new wage-price policy, and the general stimulus of strike settlements. Another factor were reports from the South indicating little or no increase in the amount of land planted to cotton, although one trade source stated that advices submitted by its correspondents suggested an increase of 10 to 15 per cent over the area planted last year, which would indicate an acreage of 20,000,000 to 20,900,000.

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From The Baltimore Sun, Feb. 18 -

**MR. BANKHEAD REALLY SETS THE INFLATION SPIRAL WHIRLING-Editorial**-It has been fairly obvious for months that the inflationary spiral had the country in its grip. Only the Administration lotus-eaters who didn't want to see this truth, could still avoid seeing it. What should make the textbook writers happy on this brisk February morning is that Senator Bankhead is now beating the truth into the very brainpans of the lotus eaters. For the Senator has announced, what is obvious, that the new industrial wage-price "policy" will increase the cost of things that farmers buy and so will incite an "organized movement to protect the farmer from these burdens..."

What the Senator means, of course, is that farmers will now begin to push for higher farm prices. To take but one category of the things that farmers buy from industry, their plows, their binders, their tractors, their harvesters are all going to cost more, thanks to the new steel wage-price rule. Having watched the unions pressure employers and the Government into wage concessions, the political farmers now itch to demonstrate anew their own considerable prowess in the pressure field.

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BISCUIT BAKERS - This country's 350-odd biscuit and cracker makers face one of the most difficult periods in their history. The reasons are twofold: First is the shortage of flour. One large maker of biscuits complains that he hasn't been able to buy a bag of flour for days. Second, whatever flour bakers get will be a poorer quality as a result of the Government's order for 80% flour extraction from wheat. They must revise their baking formulas, too, so that dark-flour biscuits and crackers will taste and look as nearly as possible like those made from white flour.

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ICC SEES DEMAND HIGH FOR GRAIN, REFRIGERATOR, Washington - Demand for railroad grain cars and refrigerator cars will continue at peak levels during February, March and April, according to a report issued by the Interstate Commerce Commission.

The Bureau reports that loadings of grain and grain products in February are expected to average 54,900 cars weekly. The forecast represents an increase of 31.8% over the low loading month of February, 1944. Grain loadings in March and April are expected to average 53,500 cars and 51,600 cars weekly.

Demand for transportation of perishable and semi-perishable commodities normally moving in refrigerator cars, it is estimated, should total 174,300 cars in February, 189,000 in March and 171,900 cars in April. The highest four-weeks loadings on record is 140,416 cars.

Livestock loadings are estimated at an average of 15,400 cars weekly in February at slightly more than that figure in March and at 17,100 cars a week in April. Livestock loadings in January, including two light weeks because of the packinghouse strike, averaged 16,200 cars weekly.

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BEHIND THE WORLD FOOD CRISIS, Editorial - President Truman's announcement that sacrifices in the American diet would be made, if necessary, to avert threatened starvation abroad was followed by critical comment from the former Republican Presidential candidate, Alf M. Landon. Mr. Landon declared that "raiding our national pantry to soften the adverse effects of Allied policy in Europe will not cure the situation." Mr. Landon also remarked that we are reaping the results of "the iniquitous Morgenthau Plan for defeated Germany" and that the United States could not forever go on bearing the burdens of the entire world. There is an element of truth in both these views, sharply differing as they seem....

But generosity should not exclude, it should rather stimulate a careful examination of the causes of the present world food crisis. In some degree, of course, this crisis is the almost inevitable aftermath of the most destructive war in history.... But present acute food crisis is partly attributable to wholly avoidable political and economic causes. After all, farming, by its very nature, is not a liable to all-out destruction as industry. Some of the reasons must be sought in factors apart from the direct destruction of war. Three outstanding causes of the present crisis are the political and economic conditions which have developed in the Soviet zone of occupation in eastern Europe, the predominantly destructive policy toward Germany which has been followed everywhere except in the British zone of occupation and reckless experiments in socialization which have been anything but beneficial to production...

(Turn to page 4 for other items from today's N. Y. Wall Street Journal)



From the New York Wall Street Journal, Feb. 18 -

WSA ASSIGNS 9 SHIPS ON PACIFIC COAST RUN TO EASE BOXCAR SHORTAGE, Washington - Cargo vessels will be used to piece out the freight transportation facilities of the West Coast. The War Shipping Administration has allocated nine vessels to inaugurate Pacific coastwise service between California and the Columbia River and Puget Sound.

The W.S.A. expects the new service to start in mid-February. It declared that the use of the vessels will "greatly alleviate the extreme car shortage in the Pacific Northwest and in California."

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TEXANS DOUBT THEY CAN INCREASE COTTON CROP, College Station, Tex. - There is serious doubt here whether Texas cotton acreage can be increased this season because of the shortage of seed. Most stocks of cotton seed were used up last year as feed for livestock when the state's crop of grain sorghums failed because of the summer drought.

Other deterrents to an increase in the cotton crop are the shortage of farm labor and the efforts of Northern feed mills to get farmers to shift to grain sorghums and feed crops to ease the national shortage of these commodities.

Leaders of the industry here agree that Texas farmers will plant not more than six million to seven million acres of cotton this year, about the same as last year.

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From the New York Journal of Commerce, Feb. 18 -

FLOUR CHANGE HITS BISCUIT INDUSTRY - While the shift to 80 per cent extraction flour will force many changes in formulae, commercial biscuit and cracker manufacturers do not expect that the use of "wartime flour" will force any of its major brands or products off the market, it was learned in industry circles at the weekend.

A number of plants, it was reported, have already started test baking on the new type flour, production of which has been ordered by the Government as a wheat conservation measure to aid in making up grain deficiencies in shortage countries abroad. These test runs it was reported, have indicated that the new type of flour may be adapted to production of standard products lines, with necessary formulae revisions.

Some types of crackers and cookies, it was pointed out, can be made from lower grade flour without any appreciable change in their texture, appearance, or quality.

On the other hand, it is indicated that drastic formula changes will be necessary for other types of cookies or crackers, where crispness and tenderness commonly associated with such products cannot be obtained by use of the 80 per cent flour under normal formulae.

The highest extraction, it was pointed out, may also necessitate increased use of shortening or sugars for some products, and these already are in short supply. The color of the flour, in so far as crackers and biscuits are concerned, is apparently a secondary consideration....

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From The Davenport Democrat and Leader, Feb. 11 -

**WHEAT AND DARK BREAD**-Editorial-President Truman's request that the American people use more dark bread as a means of conserving the world's rapidly disappearing wheat supply, is not without reason.

In the present situation in world supplies and prices of foodstuffs, wheat and flour are the best and cheapest means of preventing starvation. It isn't a matter of providing a balanced diet. It's a matter of keeping men, women and children alive and for that bread is the "staff of life" in many ways.

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From The St. Paul Pioneer Press, Feb. 13 -

**BANKERS URGED TO HALT THREATENED LAND BOOM**-Bankers were called on Tuesday by a University of Minnesota economist to aid in the fight against an expected large scale boom in farm land prices within 10 years.

Dr. Austin A. Dowell, professor of agricultural economics at the University Farm, outlined a five-point program to the annual Minnesota Bankers' conference. He asked the bankers to:

Discourage land speculation.

Give sound advice to prospective buyers of farms.

Work for greater price stability.

Support measures for full industrial employment.

Encourage a sound foreign trade policy.

By following this program, Dr. Dowell stated, rural areas will not run the risk of rising land prices in the face of declining profits as evidenced in the 1920's and 1930's. He pointed out at present Minnesota is far below the peak of booming land prices throughout the country.

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From The Atlanta Constitution, Feb. 13 -

**CROP DIVERSIFICATION LOOKING UP**-Cotton continues to be the leading cash crop of Georgia, but today it amounts to only a little more than 22 per cent of the state's total crop value. This means that crop diversification is becoming a reality in Georgia.

Commissioner Linder's figures for 1945 show that the farmers took advantage of a favorable market last year to boost commercial truck crops to 28 per cent over the previous season for a total value of \$12,966,000. The chief of these truck crops was watermelons which showed a crop value of \$6,304,000. Beans, tomatoes, cabbage, Irish potatoes, cantaloupes and piniento peppers ranked next to watermelons in the truck crops.

Increases were noted in the value of the peanut, tobacco, peach and pecan crops. The value of these four was \$134,633,000 or \$45,922,000 more than the value of the cotton crop.

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From The Kansas City Times, Feb. 13 -

**FOR RULE ON POULTRY**-A plea for government inspection of poultry products was voiced before the Institute of American Poultry Industries yesterday afternoon by A. E. Abrahamson of the New York City health department in the institute's fact-finding conference. Mr. Abrahamson said: "Of an average of 11 million pounds of live poultry shipped to New York City each month more than 362,000 were lost through inspection by the health department there."

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From The Evening Bulletin, Philadelphia, Jan. 24 -

**PENNSYLVANIA'S FARMERS**-Governor Martin from Harrisburg holds the mirror up to farmers to let them see what sort of people they are. In the Governor's looking glass farmers appear as rugged individualists who want neither to be bossed nor coddled. They do not want regimentation from Government, but wish to be free and independent Americans.

The Governor could just as well pay the same compliments to city populations in the State who also show no inclination to give up their rights as free-born Americans.

Such statements, however, should not be taken to mean that farmers are not in a receptive mood from any favors the Government has to pass around. It is true, as the Governor states, that Pennsylvania farmers have not benefited as much from Government subsidies as those in other sections. But our farmers have not refused to cash Government checks.

To protect farmers from the operation of the law of supply and demand Congress has guaranteed parity prices for farm products for two years after the end of the war. So far there have been few protests from rugged farm individualists against this suspension of an economic law.

Farmers are restive under Government regulations, as are many nonfarmers. But is doubtful if many farmers want a return to the good old days before 1939, when they were allowed to plow themselves into bankruptcy by piling up farm suprluses.

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From The Commercial Appeal, Feb. 12 -

**FARM PREDICAMENT HELD MOST GLOOMY**-J. E. Simmons of Osceola takes the time to put some of his observations on paper. The results usually are of interest to the cotton trade.

Last week he wrote: "Time is about to end the 1945 cotton season for the cotton producer whether he wants it or not; for the 1946 planting season is only a few rainy weeks ahead and most of them are about ready to start out and 'try it again'. But the 'try again' phrase is apt to mean considerably more than it has during the past few years, due to the fact that the 1945 crop was a profitless one and the financial wherewithal for making another crop is not at hand and the getting of it is something to look forward to with anxiety and peril."

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From The Chicago Journal of Commerce, Feb. 14 -

**CO-OP GROUP HEAD DEMANDS END OF LIVESTOCK CEILINGS**-St. Paul-N. K. Carnes, general manager of the Central Co-operative Association told the 25th annual stockholders meeting today that ceiling prices had disrupted the Livestock industry and threatened to destroy the free enterprise system.

Mr. Carnes, in his annual report said that "holding price ceilings in the face of rising wages without increased productivity will result in squeezing invested capital out of the picture."

"Farm people would like to see ceilings on live animals removed now when consumer demand is strong to compensate for declines later when the demand is weak," he said. "I believe farm people realize we cannot have a free economy without free prices. They realize we cannot have increases in wages unless they are accompanied by increases in productivity, or the prices of commodities raised to compensate."

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 19 -

BOWLES ASKS CONTINUED PRICE CURB TO PREVENT INFLATION-Washington-Chester Bowles, present chief of the Office of Price Administration and Stabilization Administrator-designate, declared today that the prices of food, rent and clothing would be kept from rising under the Government's new wage-price policy, though there would be a bulge in a "relatively narrow" sector of the price line--the cost of metal goods.

Mr. Bowles, appearing before the House Banking and Currency Committee to urge speedy action by Congress on extension of the Price Control Act now set to expire June 30, emphasized repeatedly that the new formula did not represent retreat to a new line and a higher level of prices.

"The result of this new wage policy," he said, "will not necessitate a retreat from the present price line. It will mean a bulge in one relatively narrow sector of that line, a bulge which must not be allowed to spread."

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UNO ECONOMIC BODY SETS UP 5 GROUPS-London-The Economic and Social Council finished its London sessions today by establishing five commissions, including one on human rights and an eighteen-nation preparatory committee to arrange for the America-sponsored International Trade Conference late this year.

It was also decided to hold the second meeting of the Economic Council on May 25 at the interim headquarters of the UNO in New York.

Negotiating committees also were established to study methods to bring the International Labor Office, the Food and Agriculture Organization, the International Bank and Monetary Fund and the Education, Scientific and Cultural Organization into relationship with the UNO as governmental agencies and the World Federation of Trade Unions, American Federation of Labor and the International Cooperative Alliance as non-governmental agencies.

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BIDS BUSINESS TAKE WORLD TRADE RISK-Chicago-Secretary of Commerce Wallace called on American business tonight to give "vigorous and vociferous support" to the proposed \$3,750,000,000 loan to Great Britain and to assume a "fair share in the risk" of financing another \$6,000,000,000 in world trade which he said was needed in the three years following the war.

To refuse the loan to Great Britain, he contended, would force that country "to embark upon a vicious system of dog-eat-dog in world trade" and "world security would be at death's door."

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PANEL FOR 18C RISE IN HARVESTER PAY-Washington-A fact-finding board today recommended an 18-cent hourly pay increase for 30,000 striking Congress of Industrial Organization farm equipment workers of the International Harvester Co.

A flat 10 per cent wage increase was recommended to be retroactive to Nov. 1. The full 18-cent increase was recommended to become effective upon the resumption of operations in the eleven struck plants in Illinois, Indiana, New York and Iowa. (Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, Cont., Feb. 19 -

**JAPAN TO GET RIGHT FOR 2-WAY TRADE\***Tokyo-Within two or three days, orders probably will be prepared permitting the resumption of Japanese foreign trade. Under the program which the Allies have approved and will supervise, Japan will handle an import and export tonnage roughly equivalent to England's during the war. The two-way volume is expected to top \$800,000,000 annually.

Parts of the program already are effective. It is learned from authoritative sources here that two American ships are being loaded with approximately 15,000 tons of rice in American Gulf-coast ports destined for Japan.

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**2 EXCHANGES BAR TRADES IN WHEAT**-Chicago-Trading in May wheat at Kansas City and May and July wheat at Minneapolis was ordered halted today by directors of the two exchanges, except for purposes of liquidating outstanding contracts, as the result of the new Governmental wheat program, which is regarded as preventing the delivery of cash wheat on futures contracts.

Directors of the Board of Trade here will consider the situation in May wheat at their weekly meeting tomorrow, and action similar to that in other markets is anticipated. There was a light trade on today in May, July and December wheat at ceiling prices, but there were a large number of unfilled buying orders at the close. Under the Government order the regulations will expire on June 30, so that the July, September and December contracts are not affected. Meetings were held at leading markets to consider the new program and mills and feed manufacturers were busy trying to determine whether they were eligible to purchase additional supplies of wheat.

Oats showed a firm undertone and edged closer to the ceiling price, closing  $\frac{1}{4}$  to  $\frac{3}{8}$  cent a bushel higher, with December selling within  $\frac{1}{8}$  cent of the permissible maximum at one time. May rye showed an easy undertone and finished  $\frac{5}{8}$  cent lower, despite late strength in Winnipeg where the close was  $3 \frac{1}{8}$  to 5 cents higher, July rising the limit for one day's trading.

May rye held within a range of 2 3.4 cents, and closed well above the bottom. A statement by Chester Bowles, former head of the Office of Price Administration to the effect there would be no advance in food prices, was regarded as indicating that office had no intention of raising the ceiling price on grains at present, had some effect on sentiment. Exporters were credited with buying futures at Winnipeg.

Talk of higher ceiling prices on cash corn which has been heard with increasing emphasis the last few days was reflected today in a falling off in country offerings.

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**COTTON SELLS OFF AFTER EARLY RISE**-After opening 1 point lower to 8 points higher than Saturday's final levels, the cotton futures market on the New York Cotton Exchange turned earlier yesterday and closed 11 to 25 points net lower on the day. Some of the selling was attributed to the statement of Secretary of Agriculture Anderson that, if we are to retain our domestic and foreign cotton markets, high-price support programs will have to be halted soon.

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From The Herald Tribune, New York, Feb. 19 -

**PEACE GROUPS APPROVE TRUMAN WHEAT PROGRAM**-The National Peace Conference approved yesterday President Truman's program for increasing wheat shipments to other countries even if it is necessary to return to rationing to make the program effective.

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From the New York Journal of Commerce, Feb. 19 -

FARM OPPOSITION TO PAY PRICE PLAN THREATENS OPA, Washington - Congressional opposition to President Truman's new wage-price policy on the grounds that it excludes farmers from any direct benefits in the form of higher prices broke into the hearings on extension of the Office of Price Administration this afternoon.

Possibly presaging a movement by Southern Democrats and farm State Congressmen to block the extension of OPA until farmers are given strong assurances that they will benefit from the new policy, the subject was briefly mentioned at the House Banking and Currency Committee hearing today.....

At the afternoon session, after Mr. Bowles had finished his testimony and left the committee room, Representative Fred L. Crawford (Rep., Mich.) asked OPA witnesses whether Mr. Bowles had not met with farm leaders to discuss the new policy. James G. Rogers, OPA deputy administrator and "general manager," replied that there had been a meeting with farm leaders but that he did not know what had transpired. From other sources, however, The Journal of Commerce learned that the farm leaders did not approve any part of the new program excepting that they agreed that subsidies would have to be continued....

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COTTON PARITY - Farm bloc is expected to press for action on bills which would include farmer's wages in computing parity for cotton as result of Administration action in opening price line to make room for recent wage increases to industry. While passage of such bills would be temporary benefit to mills and farmer, long range implications are bad in view of improved competitive position that rayon staple fiber would enjoy.

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MILLS AWAIT NEW FLOUR CEILING PRICE - Despite receipt of the full text of the order calling for 80 per cent extraction starting March 1, 1946, several questions still remained unanswered and little or no activity was expected in flour until these are clarified.

No word had yet been received as to the ceiling price which will prevail for the new flour, or flours; the "hardship" clause in the order gave impetus to discussions regarding possible exceptions, and the trade also was discussing the probable effect on the domestic subsidy rates.

With less wheat required to make a 100-pound sack of flour, it appeared likely that there may be a reduction in the subsidy effective March 1, possibly by as much as 8c a bushel, but pending a ceiling price announcement and a study of costs under the new regulations this was only conjecture and millmen generally were marking time.

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RICE EXPORTS - Congressmen for rice producing States are due to introduce legislation which would forbid the export of farm commodities which would cut domestic supplies below 90 per cent of prewar levels. This is aimed chiefly at forcing a revision of the rice set-aside order which is leaving domestic markets bare of supplies. Producers fear loss of domestic market as a result of the current pinch.

(Turn to page 4 for other items from -  
today's N. Y. Journal of Commerce.)



From the New York Journal of Commerce, Feb. 19 (Cont.) -

HUTSON BACKS CCC BUYING PRACTICES, Washington - Commodity Credit Corp. practices in buying grain are "generally satisfactory" to farmers and trade representatives, J. B. Hutson, Undersecretary of Agriculture, today informed Senator Elmer Thomas (Dem., Okla.)

The Senate Agriculture Committee, of which Thomas is chairman, recently issued a report charging the organization of the CCC is open to "graft, collusion and favoritism."

Terming these charges "misleading and unfair," Hutson wrote Thomas that the policies and procedures of the CCC in buying grain had been developed over the years and had the approval of Secretary of Agriculture Anderson and the War Food Administration.

Hutson, who is president of the CCC in addition to being Undersecretary, agreed with the committee report that his two jobs require two men.

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From the New York Wall Street Journal, Feb. 19 -

EUROPE'S HUNGER is sharper than generally realized. Bread isn't half the story. The Continent's meat production this season is 43% below the pre-war level; cheese, 47%; eggs, 48%; milk, 37%. Italy is growing only 60% of the pre-war volume of food. In Austria it's only 50%. France is expected to harvest only 10 million tons of grain this season; her pre-war average was 17 million. Germany has 60% fewer hogs than before the war, 20% fewer cows. Cattle population of all Europe tumbled from a pre-war 110 million to 95 million by the end of 1944. It's much lower now. Fertilizer and farm machines are scarce. Russia alone lost 885,000 harvesting implements, 4 million plows and harrows, in battle-swept areas.

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BREAKFAST CEREALS head toward the shortage list of grain supplies contract. White corn, from which corn flakes are produced, is now among the scarcest grains. Planted acreage was cut in 1945. Yield was low and of poor quality. The shortage in other grain stretches into oats, plentiful up to now. Oatmeal makers watch distillers turning to oats for alcohol. Even corn refiners consider using them for sugar and syrup.

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LACK OF FERTILIZER is causing cancellation of orders for thousands of bags of seed potatoes in Kern County, Calif., which grows most of the nation's early potatoes. Growers refuse to plant without 130 pounds of nitrogen and 700 pounds of ammonium sulphate to each acre. They estimate last year's planting of 59,000 acres will be cut 10% this season.

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LORILLARD CO.'S CIGARETTE SALES have expanded to 18 billion a year from the 10 billion level in the years 1938 and 1939. Approximately 50% of the company's sales before the war were in its less important brands, whereas the present volume represents largely the Old Gold brand.

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From The New York Times, Feb. 17 -

REPORT FROM THE NATION-New England-Poultry, Dairy Men Plead for Help in Feed Scarcity--Boston--New England's poultry and dairy industries are looking toward Washington for relief from the current feed shortage which many farmers contend will force them to reduce their flocks and herds drastically. Some poultry men have stated that many New England farmers face ruin because of the shortage.

Complicating the situation is President Truman's plan for feeding hungry millions abroad. The Government asks that farmers cut their use of wheat feed by 60 per cent, and representatives of the Department of Agriculture have told New England poultry men they must reduce hen settings to 50 per cent by June.

This is considered by many as the straw to break the camel's back. Some farmers already are sharply reducing flocks because of the feed shortage. Markets are glutted with eggs and poultry and this means a drastic income loss to producers.

The proposed cutbacks for hatcheries is feared by many as a move that may relegate the region, one of the country's chief chick breeding areas, to a secondary position from which it may never recover.--Central States--Truman Plan to Feed Europe Defended and Assailed--Chicago--Public reaction in the Central West to President Truman's drastic food conservation program, including discontinuance of the use of wheat in the direct production of alcohol and beer, for the purpose of relieving peacetime starvation in Europe, was marked by these dominant notes:

"At a time when the world cries out for bread, the heart of America will respond."

"Cutting down beer and whisky production and coarsening the fine whiteness of our bread do not constitute a real sacrifice."

Coincident with these expressions of willing sacrifice, critics of the President's plan, which is expected to make possible the shipment of 225,000,000 bushels of wheat to Europe, were asserting:

"Had the Administration been less precipitate in ending rationing, it would be in a better position to meet the world food crisis today. Nor is it certain that the Administration has taken all possible steps to increase the flow of wheat abroad."--Midwest States--New Dust Storms Spur Drive for Soil Conserving--Omaha--Seeking to transform a liability into an asset, Midwest experts are taking advantage of recent minor dust storms to advance the cause of soil and moisture conservation.

Dust blows originating on the Southwest plains have caused Department of Agriculture officials to forecast that a new "dust bowl" may be forming to duplicate the tragic damage of the Middle Thirties. Observers on the Midwest scene are less pessimistic, but they are alert to the dire possibilities, and they are whipping it up for universal adoption of conservation methods learned the hard way a decade ago.

NUTRITION EXPERT WARN THAT DARK BREAD WILL NEED BENEFITS OF FLOUR ENRICHMENT--by Waldemar Kaempffert--Experts on nutrition complain that they were not consulted by the Government when it decided that to help starving Europe we would have to eat dark bread. They had been telling the country that it was not eating wisely. Now they fear that much of their work may be undone because we may lose the benefit of flour enrichment. In a prepared statement, they say that "families with very low incomes may run short on calories as well as on the important minerals and vitamins"

It is not known as yet what the content of the new flour will be. Possibly calcium may have to be added because the phytic acid in 80 per cent or 85 per cent flour combines with calcium, with the result that bones and teeth are ultimately decalcified. The British, therefore, added calcium to their war flour. Southerners will find it difficult to bake their favorite biscuits with 80 percent less flour. The debased flour may cause digestive difficulties, as British war experience proved.



From The Milwaukee Journal, Feb. 13 -

PLAN A PETITION FOR MILK RISE-Directors of the Milwaukee Cooperative Milk Producers, which represents milk shippers, are preparing a petition for the Milwaukee and Chicago OPA offices urging an increase in the producer wholesale price of milk.

"We will have the petition and reports showing the diversion of milk to the higher prices markets ready within a few days," said Charles Dineen, secretary of the co-operative, "and the board is determined to follow it through."

Shippers to the Racine and Kenosha markets, complaining that Chicago was drawing milk from their market, appeared before the regional OPA office in Chicago with a petition asking for a raise in wholesale price from \$3 to \$3.25 a hundred-weight.

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From The Pennsylvania Farmer, Feb. 9 -

EGG PROPHECIES-Editorial-Those who predicted a vast surplus of eggs this year may find themselves classed with the prophets who foretold too many cattle in 1944 and 1945. Consumption continues large. Some great egg producing areas are also feed deficient areas. Now feeds are dear and hard to buy, a situation that usually leads to reduction in numbers of poultry. We don't venture any guesses about an egg surplus but shall not shed a tear if the predictions of our eminent egg prophets prove amiss.

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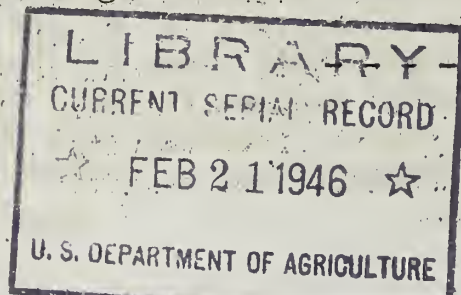
TOO LITTLE FARM HELP-Talks with farmers of many states indicate that right now there is the greatest shortage of farm help ever known in this country. Returning service men are not yet going into farm work while drafting of youth continues and will continue for a few months. Some local draft boards are reported to be balking, at least not filling their quotas, but probably some of them lack the young men who are needed more in armed forces than at home. Our Army is mighty hard up for men if it needs them more than farmers need them.

From Chicago Daily Tribune, Feb. 14 - - - -

SUGAR INDUSTRY IN PUERTO RICO RAPS CONGRESS-San Juan-The federal government's fumbling is preventing the Puerto Rican sugar industry from sending larger shipments to the United States, sugar men said today. Producers' and workers' committees have been unable to reach a stable collective bargaining agreement because of the lack of a congressional decision on a subsidy to growers and laborers.

Sugar men complain that it took more than three weeks to get the house of representatives to approve the department of agriculture's general contract fixing wages and the subsidy, altho there was little opposition in the house.

Now the contract goes to the senate. A Washington, D.C., spokesman said he believed the senate ultimately would approve the measure but that action might drag on until April. Some of the larger sugar mills, are unwilling to begin grinding until an agreement has been reached.



Farm Digest 335-46-6



(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 20 -

HOUSE MOVE STARTS TO LIFT FARM PRICES-Washington-The Administration's "bulge-in-the-line" price policy, coupled with efforts in the Senate to extend the proposed 65-cent-minimum hourly wage into the agricultural field drew warnings from farm leaders in the House today that they were prepared to call up for action "at the proper time" the Pace Bill to force increases in farm commodity prices.

This measure, viewed by the Government as highly inflationary, provides for a readjustment of the parity (fair relationship) price formula to reflect all farm labor costs, including those covering work performed by more than 1,000,000 members of farm families.

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WHEAT-SUPPLY AID GOES TO ARGENTINA-Washington-This country is continuing to ship tires, farm machinery and other equipment to Argentina, notwithstanding the state of our relations as they have been most recently brought into focus through publication of the State Department's Blue Book, because of the need of facilitating the movement of wheat to the Argentine seaboard and thence to Europe for relief of the starving, James F. Byrnes, Secretary of State, said today.

In making the announcement in response to questions at his press conference, Mr. Byrnes recalled that President Truman had emphasized the need for wheat from Argentina as well as the United States, Canada and other producing countries.

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NEBRASKA FARMS THREATEN 'HOLIDAY'-Lincoln-A revival of the farm holiday movement, which in the early Thirties halted farm mortgage foreclosures by staging "neck-tie parties" at convenient gallows trees and dramatized the need for agricultural price supports by stopping trucks and dumping their cargoes of milk and produce, is under way in four counties of Nebraska.

This time the movement, whose sponsors deny any former connection with the organization that had been headed by the Milo Reno, is aimed in different directions.

It is a protest against the action of organized labor in staging concurrent strikes in this reconversion period, strikes which give the appearance of a general strike movement, in some cases without having exhausted mediation and arbitration opportunities.

It also seeks to halt the seeming cooperation of labor and industry to obtain Government sanction for price rises at the expense of the farmer and other consumers to finance wage increases for organized labor.

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SCHOOL LUNCH COST ASSAILED IN HOUSE-Washington-Opposition to the proposed National School Lunch Act developed during today's debate in the House which may mean defeat of some provisions, if not the entire bill, when it goes to the vote tomorrow.

Republicans and Democrats joined in approval of the program, but they were divided sharply on the issue now presented for the first time of assumption permanently by the Federal Government of responsibility, which, several members on both sides of the aisle contended, should be borne by the States.

(Turn to page 2 for other items  
in today's N.Y. Times.)



From The New York Times, Feb. 20 (Cont.) -

**COTTON PRICES OFF 28 TO 37 POINTS**-Heavy commission-house liquidation took place yesterday in the cotton futures market on the New York Cotton Exchange, and final prices were at or near the lows of the day, down 28 to 37 points net. The market started 1 point higher to 4 points lower than Monday's final prices and drifted downward in sympathy with a weak stock market and anti-inflation reports from Washington.

Traders were confused over the wage-price policies. Mills were not offering cotton goods, because it becomes increasingly evident that OPA will consider parity as the basis for calculating goods ceilings, whereas cotton prices are sharply above parity.

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**NEW CURB PLACED ON WHEAT TRADES**-Chicago-Directors of the Chicago Board of Trade ordered late today that trading in May wheat contracts, effective tomorrow be restricted to the liquidation of outstanding contracts. This follows similar action taken previously by the Kansas City and Minneapolis exchanges.

It was also ordered that the exchange be closed on next Saturday, Feb. 23, except for transactions in cash grain. There is said to be little hedging business being done against cash grain at the present time as the price of grain futures is at ceiling fixed by Office of Price Administration.

The board also changed margin requirements effective tomorrow, the initial margins to be 10 cents a bushel on wheat, barley, corn and oats; 25 cents on soy beans and 35 cents on rye. Such margins must be maintained on the following bases: Oats, 8 cents a bushel; wheat, barley and corn, 10 cents; soy beans, 15 cents; and rye, 25 cents.

The board's announcement followed a day of trading in which grains showed an easy undertone on selling induced largely by weakness in securities and cotton. May rye held within a range of 2 3/4 cents and finished 1 3/4 cents lower, while the active deliveries of oats lost 5.8 to 3.4 cent after being off 1 cent in the early trading. Other grain futures held unchanged at ceiling prices with a moderate business in wheat and December rye.

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From The New York Herald Tribune, Feb. 20 -

**U. S. GRAND JURY IS INVESTIGATING APPAREL DEARTH**-Acting on complaints from consumers and retailers that large quantities of men's apparel are being withheld from the market, the anti-trust division of the Department of Justice began yesterday an investigation before the Federal grand jury at the United States Court House.

The inquiry, according to Lawrence S. Apsey, special assistant to the Attorney General, will seek to determine whether current shortages of men's suits and coats, shirts, shorts and pajamas are the result, in whole or part, of concerted action by manufacturers and distributors. While the withholding of goods from the market is not a violation of law, he said, a conspiracy to restrain the delivery and sale of clothing articles would be a violation of the Sherman act.

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**FLOUR CURB SEEN DISRUPTING U. S. FOOD INDUSTRY**-Serious disruption of food production in this country, and far reaching changes in the type of food items that will be available to the public will result from the government order compelling millers to extract 80 per cent of the whole grain in making flour, leaders in the food industry warned yesterday. The order, according to food men, will further unsettle the poultry, dairy and meat supply picture through cutting feed supplies for stock. It probably will eliminate some food items requiring highly refined flour.

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From the New York Wall Street Journal, Feb. 20 -

ABREAST OF THE MARKET - Stocks broke wide open yesterday with the industrial average ending at 196.13, off 5.50. That was the largest single day's decline since May 21, 1940, when it closed at 114.13 off 8.30 following the British debacle at Dunkirk.

Traders were calling it a "Bowles" stock market. Continued controls over prices and wages which Mr. Bowles insists on were conceded an irritant even as labor troubles, holding up production, have encouraged bearishness in the Street. Dismal picture of first quarter and even second quarter earnings are being discussed and the occasional dividend omission or reduction has highlighted these expectations. The market has been vulnerable for a long time. It has shown an almost perpendicular advance since V-J Day and even at yesterday's close the market has only retreated about 5% from its high point...

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JANUARY COTTON CONSUMPTION, Washington - The Census Bureau reported that consumption of cotton by United States mills during January amounted to 811,368 bales of 500 pounds each compared with 651,784 bales in December and 850,425 bales in January a year ago.

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EXPORT SUGAR ORDERS INCREASE - Atlantic and Gulf cane refiners are receiving a steady inquiry from Government agencies for sugar to be exported partly under U.N.R.R.A. auspices and partly on a commercial basis under a program set up by the Combined Allied Food Board.

Last December the Government indicated that about 200,000 tons of domestic refined sugar would be earmarked for export during the first six months of this year.

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"EARLY" POTATO LAND, Bakersfield, Calif. - Have you met Kern County's "White Rose?" You probably have, but California potato growers in this big desert patch 100 miles north of Los Angeles feel it has been too casual an acquaintanceship.

They have nearly a \$30 million annual harvest to rush to market in a short three months' season. So they are ....talking of spending at least \$100,000 a year on national advertising to follow up "White Rose's" debut in all 48 states.

From mid-May through June seven out of every ten potatoes served on American dinner tables are "White Roses" from Kern, the nation's most important "early potato" county. The reason the season is so short is chiefly California's climate.

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(Turn to page 4 for other items from today's N. Y. Wall Street Journal)

Farm Digest 345-46-3



From the New York Wall Street Journal, Feb. 20 (Cont.) -

U.S. TOBACCO TAX EXCEEDS \$1 BILLION, Washington - Federal income from taxes on the manufacture of cigars, cigarettes, snuff and chewing and smoking tobacco in 1945 amounted to \$1,031,900,617.12, the Bureau of Internal Revenue announced.

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OTHER DEVELOPMENTS IN LABOR RELATIONS, Cleveland - First returns of strike ballots from 300,000 members of the country's two most powerful railroad brotherhoods, the Locomotive Engineers and the Railroad Trainmen, almost unanimously approve a nationwide rail walk-out. President A. F. Whitney of the Trainmen said that ballots received from 60 of 300 railroads involved were 99% in favor of a strike. Similar approval was contained in the first returns of ballots from engineers of "several" railroads, Locomotive Engineers President Alvanley Johnston said.

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From the New York Journal of Commerce, Feb. 20 -

OUTSIDE INTEREST IN COTTON STIRRED, Memphis - Front street cotton men who have been in the game many years watched with particular interest as cotton futures soared during the past week. Apparently a good deal of the outside interest in the cotton futures market emanated from Chicago and north-central grain men, not from southern cotton men. Old-timers here recall that a similar situation occurred after the first World War, and attribute it to the fact that the grain market is more or less frozen."

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WICKARD BACKS ST. LAWRENCE POWER PLAN, Washington - Claude R. Wickard, Rural Electrification Administrator, declared today he "fully approved" the proposed St. Lawrence Seaway and power project.

Dealing particularly with the power phase of the long-sought international development, Wickard, former Secretary of Agriculture, asserted in testimony before a Senate Foreign Relations Subcommittee:

"Low cost power resulting from the completion of the project should enable nearly all of the farms in the New England and Middle Atlantic States to receive the benefits of electric service at rates which will permit complete utilization of electric energy."

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PLANS FOR MACARONI OUTPUT UNCERTAIN - Macaroni manufacturers still are in a quandary regarding their future operations following the effective date of the flour extraction order, it was learned here yesterday.

It is generally understood that semolia as now known will be non-existent, but that a durum product combining fine and coarse granulation will be milled for use in this line of products. However, if the new material turns out too dark a macaroni and noodle product, it is felt, manufacturers may elect to shut down operations rather than endanger brand franchises with inferior grade products. It is also feared that the new durum product may not stand up well on the drying racks.



From the Chicago Daily Tribune, Feb. 15 -

CHARGES U.S. LET POTATOES SPOIL ON FARM - The United States government, tho making strenuous efforts to obtain enough food to prevent widespread starvation abroad, has let millions of bushels of potatoes rot and go to waste on farms, Graham Adams, president of the National Dehydrators association, charged yesterday.

Adams placed the blame for this waste on Secretary of Agriculture Anderson, who he said refused to let the department of agriculture take over army contracts for more than 110 million pounds of dehydrated potatoes, canceled at the end of the war. Altho other government officials indorsed the program, Anderson rejected it because he had tasted dehydrated potatoes in Europe early in the war, when the process had not been perfected, and did not like them, Adams said. That was notwithstanding high praise and commendation of the dehydrated food program by the army and government.

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From the Watertown, N. Y. Daily Times, Feb. 15 -

FEED SITUATION TERMED SERIOUS - The feed situation in the country is so serious that poultrymen are giving away, gassing or drowning all cockerel chicks and using the available feed for the production of pullets and eggs, it was stated at the all-day poultry school Thursday in the grand jury room attended by 45 Jefferson country poultrymen.

Prof. H. E. Botsford of Cornell university pointed out that during the war, anyone could sell anything and it was not necessary to maintain high quality of egg production. Now, however, with a surplus of eggs, poultrymen must produce high quality to increase consumption and protect the market, which may be filled with quality eggs from other surplus areas.

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THE NEW WAGE-PRICE FORMULA, Editorial - The president has announced the long-expected wage price formula and has, as anticipated, named Chester Bowles to administer it. Paul A. Porter, now head of the Federal Communications Commission, steps into Bowles' old place as O.P.A. administrator. After so many poor appointments, it is gratifying that two such capable men have been named to take full charge of the stabilization program.

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From the Chicago Journal of Commerce, Feb 18 -

PLAN FARM DRIVE FOR PRICE EQUALITY, Washington - As the nation's feed and food industries prepared for operations under the government's drastic wheat use limitation order, congressional farm bloc leaders and farmer groups laid plans for an attack on grain prices, which were seen here as of probable serious effect on the flow of wheat from farm stocks. Food processors today foresaw innumerable possible repercussions from the government's order. At the same time, they feared execution of the wheat program may be disturbed, along with all farm-product marketing, by an increased tendency for farmers to hold up grains in anticipation of higher prices and as an insurance of adequate feed to carry herds and flocks through to the new crop season. Secondary flour users renewed their appeal to Congress and again asked Henry A. Wallace, secretary of Commerce, to intercede for an exemption from the wheat use order for semolina and farina flours made from durum wheat.

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From the Chicago Journal of Commerce, Feb. 18 -

FOOD INDUSTRY GROWS - Editorial - Tucked away in little items here and there in the daily paper are strong indications that the food industry is likely to become even more competitive than ever before. That is due not only to the development of new products but more to the possible invasion of the field by other industries seeking outlets for their "war baby" by-products.

According to a recent trade survey of 1,400 food manufacturers, 31 per cent contemplate the manufacture of new products. The majority of the products, of course, will be new foods, but in other cases the products will be those developed from the experience gained in manufacturing weapons and other war materials.

By-products of food processing, stimulated by research and wartime developments will be of the greatest importance, especially in the dairy and packing branches of the industry. L. A. Van Blomel, president of National Dairy Products Co., was recently quoted as saying that "it is entirely possible that our chemical activities eventually will equal our dairy business. The next ten years should see as much progress in milk chemistry as occurred in the last 30 years.

Meat packers also have been engaged in the development of new meat by-products and some other products.

From the Antigo, Wisconsin Daily Journal, Feb. 15 -

HIGHER EXPENSES TO CHANGE PARITY SETUP - Higher industrial costs, with resultant price increases, are bound to mean higher expenses for farmers. This will change the parity setup to which supports for agricultural prices are tied, Business Week points out.

"In fact," it says in the current issue, "the cost of the things farmers buy was up a shade in January and prices of farm products eased a trifle. Thus the ratio of prices received to prices paid slid to 116 compared to 118 in December.

"This decline in the farmers parity ratio is symptomatic of things to come. Farmers may win higher ceiling prices to compensate for higher costs of things bought but there will be a time lag. The industrial price increases are already upon us.

"Thus, for a time at least, the parity ratio will go against farmers. This is a good example of how the parity ratio can decline even in a period of rising prices.

From the New Orleans Times-Picayune, Feb. 16 -

COTTON EXPORTS TO FRANCE HEAVY, Washington - France has taken more of the new cotton crop than any other foreign nation. Figures became available today covering exports in August, September, October and November. Exports to France totaled 347,569 bales, This is substantially more than the average of the five prewar years.

The next best customer for American cotton was Canada, which took 125,162 bales. That movement also was in excess of the prewar average. The United Kingdom was in third place with 121,671 bales. This is far below the prewar average, which was 459,000 bales in the prewar period.



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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 21 -

**NEW ORDER SPEEDS WAGE-PRICE POLICY**-Washington-An order designed to make the transition to the new wage-price policy as easy as possible, and prevent the swamping of the National Wage Stabilization Board with applications for approval of wage and salary increases, was issued today by Judge John C. Collet, Stabilization Administrator.

Labor circles had expressed fear least the stabilization board be swamped with cases, and the hope that the pressure which resulted in strikes during the life of the War Labor Board should not be repeated. Formerly, delays in approving wage adjustments made employees restive and sometimes strikes were called to force more rapid consideration of applications, the leaders declared.

The order issued today was written with the concurrence of Chester Bowles, who will soon assume the duties of stabilization chief.

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**WHEAT AID ABROAD WON'T REACH GOAL**-Washington-The hungry countries of the world will not receive all the 12,000,000 tons of wheat which the more favored countries promised to deliver to them in the next six months.

"We will have to admit defeat," was the way the situation was summarized today by Dr. D. A. FitzGerald, director of the Production and Marketing Administration of the Department of Agriculture, in referring to the ability of exporting countries to meet the goal set last fall by the Combined Food Board, of which he is the deputy American member.

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**CHURCHMEN BACK TRUMAN ON FOOD**-Support of President Truman's recent call for sacrifices by Americans to help feed the starving abroad was urged in an appeal yesterday by the heads of seventeen Protestant denominations who signed with Bishop G. Bronley Oxnam, president of the Federal Council of the Churches of Christ in America.

The appeal was made to the "Christian forces of our country" to get behind governmental action and record their approval at the White House and with members of Congress. Denominational bodies were urged to register themselves on behalf of the Government program for food relief in this way.

"We must act immediately so that the President's constructive recommendation may receive the necessary support and that thereby the hungry may be fed," the appeal said.

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**FARM 'VIGILANTES' WIDEN STRIKE FIGHT**-Lincoln-The American Farmers Vigilante Committee of Edgar, Neb., promoters of the farm-vigilante movement against strikes and a tripartite wage-price formula, disclosed today that it has sent out an organizing manifesto to 3,000 interested farmers and farm groups in various parts of the country.

(Turn to page 2 for other items.  
in today's N.Y. Times.)



From The New York Times, Cont., Feb. 21 -

**COTTON SHOWS RISE OF 20 TO 30 POINTS**-Ignoring the weakness in the stock market, the cotton futures market on the New York Cotton Exchange rallied yesterday from the break experienced on Monday and closed 20 to 30 points net higher. Some of the early buying was attributed to a report in The New York Times from Washington that the farm bloc in Congress was planning to have to parity formula include all labor costs.

Some of this buying was attributed to a statement by Secretary of Agriculture Clinton P. Anderson that cotton mills should increase production and that a higher goods ceiling was possible.

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**FIRM UNDERTONE HOLDS IN GRAINS**-Chicago-Grain markets showed a firm undertone today on the Board of Trade with little attention paid to the action of securities and cotton. Closing trades were about the top with May rye up  $2\frac{1}{4}$  cents a bushel and the active deliveries of oats up  $1\frac{1}{8}$  to  $\frac{1}{4}$  cent. Trade was in fair volume and included a little outright business in all futures of wheat and in September rye, all at ceiling prices.

Owing to Government price control regulations American grain markets are lagging behind those in other countries. In Winnipeg old crop rye futures rose  $4\frac{3}{4}$  to 5 cents, the latter the limit for one day, with May selling at \$2.74 a bushel, a new high price. Argentine oats for future delivery gained  $1\frac{3}{4}$  and sold at \$1.00 $\frac{1}{4}$ , establishing what is said to be a new record there, and corn rose  $2\frac{3}{4}$  to  $2\frac{7}{8}$  cents, with July at \$1.57  $1\frac{1}{8}$  to \$1.61 $\frac{1}{2}$ .

Efforts still are being made to clarify the Government's wheat conservation program. At a meeting here late today representatives of the milling, feed and grain trades discussed it with officials of the Production and Markets Administration. Brokers say a strict application of the regulations might prevent buying or selling May wheat unless the customer was able to produce a certificate of eligibility, trading in that delivery being limited to liquidation of outstanding contracts.

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**FLOUR MIXES DUE FOR ABANDONMENT**-Leading flour millers are planning to discontinue the manufacture of prepared cake and biscuit mixes rather than attempt development of substitutes in order to comply with the recent wheat order requiring extraction of 80 per cent of the whole grain, it was learned yesterday. As regards ordinary household flour, it is expected that established brand names will be withdrawn, and a single "emergency" type flour meeting the new specifications will be offered.

The conservation order, combined with the sugar shortages, however, makes continued production of mixes impossible, it was said. Such products require approximately nine bushels of wheat to manufacture one barrel of flour, compared with only five bushels for ordinary flour.

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From The New York Herald Tribune, Feb. 21 -

**RECORD OUTPUT OF MEN'S SUITS IN '46 FORECAST**-Production of men's suits in 1946 should exceed the previous peak year 1941 by at least 15 per cent, according to Jerome I. Udell, of Max Udell Sons & Co., who declared yesterday that when pricing difficulties have been ironed out "retailers will receive a greater supply of suits than ever before."

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From the New York Wall Street Journal, Feb. 21 -

THE WORST BLIZZARD in New England this winter has subsided after causing 12 deaths and numerous snarls in transportation and communications. New York City's streets were piled with the remnants of five inches of slush.

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SUBSIDY OFFERED, Washington - A subsidy payment has been offered to automobile manufacturers to use cotton, rather than other materials, as cushions in their new cars.

The payment, which will amount to 4 cents a pound on cotton batting, will be made by the Department of Agriculture.

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GOVERNMENT TAKES STEPS TO INCREASE LOW-COST COTTON CLOTHING OUTPUT-Washington - The Government, which for many months has been trying unsuccessfully to increase the supply of low-cost cotton clothing, took new steps yesterday seeking to achieve such a purpose. It also wants larger supplies of cotton fabrics used by industry and agriculture.

The program will seek more low-cost items, with persuasion, in the form of higher prices, and with force, in the form of a requirement that certain loom capacity must be devoted to these items. The program was disclosed at a joint press conference of the Office of Price Administration, Civilian Production Administration and Department of Agriculture officials.

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ACTION FORECAST ON MEASURE TO INCLUDE FARM LABOR IN PARITY, Washington - Early House action on a bill to include farm labor costs in the parity price formula was forecast last night by two Georgia Congressmen. Rep. Stephen Pace, author of the bill which has been passed twice before by the House but defeated in the Senate, said "I am asking the Rules Committee to grant a rule on my bill immediately."

Rep. Eugene Cox, an influential member of the Rules Committee, said "I will bring the Pace bill up next time the Committee meets. I think the bill will get a rule."

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DALLAS COTTON MILLS BUYS FIRESTONE TEXTILE PLANT, Fort Worth - The Firestone textile plant in Fort Worth, operated since 1943 by the Firestone Tire & Rubber Co. has been purchased by Akos Horvath, president of the Dallas Cotton Mills Co. and will be converted to cotton fabrics production. Firestone was using it for cotton tire cord production.

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ARGENTINE CORN ACREAGE REDUCED - The Argentine Government estimates the area seeded to corn for the 1945-46 crop at 9,804,000 acres compared with final 1944-45 acreage of 9,928,000 and the 11,295,000 acres planted in 1943-44. No official production figure was issued in yesterday's report. Production in 1944-45 amounted to 116,732,000 bushels.

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(Turn to page 4 for other items from today's N. Y. Wall Street Journal)

Farm Digest 355-46-3



From the New York Wall Street Journal, Feb. 21 (Cont) -

FLOUR MILLS OPERATE AT CAPACITY, Kansas City - Flour mills are running as near full capacity as possible in an effort to handle the flood of shipping directions they have received since the Government's 80% extraction directive was announced. However, new business is practically at a standstill during the period of transition to the new type production, the Northwestern Miller said in its weekly report. The directive requires that the mills extract 80% of the wheat in flour making.

Despite the blunt rejection by the Government of the industry's suggestions of other means of meeting the wheat dilemma, millers have become reconciled to full cooperation and are working out plans to do the best they can under the circumstances.

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TRUMAN SIGNS BURLEY TOBACCO BILL, Washington - President Truman has signed a bill designed to stabilize the price of burley tobacco. The measure provides for:

Reductions by the Secretary of Agriculture in marketing quotas and acreage allotments for the 1946 crop of burley.

Proclamation of national marketing quotas for the 1947 burley and flue-cured crops and holding of referendums for each kind of tobacco to determine whether growers favor quotas.

Increase in the penalty for burley tobacco marketed in excess of quotas from 10 cents per pound to 40% of the average market price for the preceding year.

The legislation was initiated following a sharp break in burley prices at auction early this year.

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From the New York Journal of Commerce, Feb. 21 -

AGRICULTURE HEAD CUTS DOMESTIC WOOL PRICE, Boston - Secretary Clinton P. Anderson issued an official reduction in prices of domestic wool, the Boston wool trade was informed here today.

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MARKETS - Butter shortage unrelieved...Cheese market firm, supplies tight....Egg movement disappointing, with speculative strength main market feature...Iced chicken market steadies...Live fowl again higher...Unfavorable weather slows trade in fresh vegetables...Apples, strawberries firm at ceilings...Hogs continue to attract active demand at ceiling prices...Primary markets for Indian cashews firmer...Smaller stocks of bulk figs and currants reported here.

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BUTTER SUPPLY AT RECORD LOW - Supplies here (New York City) continue at the lowest ebb seen in modern times, taking both fresh and storage together with no relief in sight. Production still losing very heavily compared with last year through the broad-scale attraction of raw material away from the churns as the result of inequitable butterfat pricing arrangements...

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From The New York Times, Feb. 20 -

MR. BOWLES' REMEDIES-Editorial-Mr. Bowles' introductory statement before the House Banking and Currency Committee began, correctly enough, by declaring that "it would be difficult to exaggerate the gravity of the inflationary crisis we face." Unfortunately, however, he did not once mention during his statement the basic cause of inflation--the increase in money and bank credit in the country since the outbreak of the war and the continued budget deficit and Government financing policies that must in the long run increase that money and bank credit further.

Mr. Bowles did mention some of the contributory causes of high commodity prices. He mentioned the shortage of goods. He correctly pointed out that: "It is, of course, expanding production which will bring us to the point where price, rent and wage controls can be dropped." He mentioned the unprecedented rent wage increases that the Administration has encouraged and approved; but to these he also gave his own approval. Why then does he believe that "everywhere the inflationary pressures have reached explosive proportions"? The chief trouble in his judgment, seems to be psychological. "A speculative fever has taken hold of the country." Mr. Bowles' main concern seems to be the "speculators", the "profiteers," the now-I-want-mine boys."

It is because Mr. Bowles' analysis concerns itself with the symptoms of inflation and not with the basic causes that he has nothing to offer but continued drastic controls of the American economy. He asks for a renewal of all the war-time controls "without amendment." But we cannot cure inflation until we deal with its basic causes. These causes lie in governmental financial policy itself. Government wage and price control is a temporary expedient that has such serious potentialities for harm that it should be discontinued at the earliest possible moment. The real task before the Administration and Congress is to put the Government's fiscal affairs in order.

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From The Chicago Journal of Commerce, Feb. 19 -

LATEST WAGE-PRICE POLICY OLD SCHEME IN MADE-OVER SUIT-So far as the thousands of manufacturers who need immediate price relief are concerned, President Truman's latest wage-price policy failed to live up to its advance notices.

"I have read it over a dozen times, "and I can't see where it sets forth a new policy in any sense. It's going to take weeks of time and thousands of yards of red tape to put these so-called 'modifications' into effect. The OPA is going to consider applications for price increase right away instead of waiting six months. Perhaps that's a gain, but there's no assurance that the company that asks for relief is going to get it."

The net of the revised policy will be to plunge the government more deeply than ever into the dangerous business of attempting to control the conditions of peacetime production. If we get the production we need under this situation, it will be a miracle.

They say you mustn't criticize unless you have something to offer in the way of a remedy. Well, the remedy in this case is for Congress to wash out the hangover powers it gave the Executive in order to fight a war. As long as these powers exist they will be used and as long as they are used, we will continue to tilt at windmills instead of meeting our economic problems head-on.--By Wilbur J. Brons--

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From The Watertown Daily Times, Feb. 15 -

**MEAT INSPECTION BILL INTRODUCED**-Albany-Senator Thomas C. Desmond, Newbough Republican, introduced today a bill to require meat inspection in the 1,500 slaughterhouses in the state now free from such supervision.

"The bill," said the senator, chairman of the Joint Legislative Committee on Nutrition, "sets up a self-supporting, statewide meat inspection system to prevent diseased or unwholesome beef, veal, mutton and pork from reaching your dinner plate."

Desmond paid tribute to the federal government meat inspection service, but pointed out it extended to only 28 slaughterhouses in the state. Municipal inspection, "often grossly inadequate," applies to only 100 abattoirs, he said. This about 1,500 in the state not now inspected.

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From The Commercial Appeal, Feb. 18 -

**DISTILLERS PREDICTING CORN LIQUOR'S RETURN**-New York-A lot of people in these United States soon will be drinking corn liquor, but they won't know the difference.

Beverage Publications of America, a trade association, announced Sunday night that distillers are placing greater dependence on corn because of the recent order banning the use of wheat for distilling.

What the distillers want now is a higher OPA price ceiling on corn so they will be able to buy some. At present, farmers find it cheaper to feed the corn to pigs.

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From the Boston Herald, Feb. 19 -

**SCHOOLCHILD FEEDING**-Editorial-Back in the low 30's an ingenious scheme was devised to get rid of farm surpluses and make work for leaf-rakers. It consisted in lunches for schoolchildren, which would use up excess tomatoes and milk and keep some WPA'ers busy distributing the stuff. But an incidental benefit, the improvement in the health of the children, proved to be far more important than the other two. Each year since the depression there has been a move to abandon the program and the \$50,000,000 it costs, on the assumption that we have no more farm surpluses and no more WPA'ers. But the by-product has been compelling, and the appropriation has been made.

So it appears to be less of an invasion of state prerogatives than many measures. Whether we like it or not, some progressive undertakings have to be inspired by the national government, for otherwise we would have 48 degrees of social advance.

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From The St. Louis Post-Dispatch, Feb. 17 -

**FARM SUPPORT OF RIVER PLANS**-Omaha-The water resources committee of the National Farmers Union has announced plans to continue its support of river authorities, including the proposed IVA, and has urged the national union board to stress support of the St. Lawrence Seaway Project. Chairman Glenn Talbott of North Dakota and Kenneth Hones, Wisconsin farmers union president, said such an authority would save farmers in Minnesota, North Dakota and Montana three to five cents a bushel on grain through direct ocean service by way of Great Lakes. The committee met here yesterday.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 25 -

**WATCH ON GRINDING OF WHEAT IS URGED** - A plea to keep the old mill stream from becoming a black market accessory was sent yesterday to Paul Porter, new head of the Office of Price Administration, on behalf of the housewives of this city.

With shelves in most grocery stores bare of white flour, the New York City Consumer Council called upon Mr. Porter to police the nation's mills against the illicit grinding of grain into white flour. Beginning Friday the making of white flour is forbidden as part of the national program to conserve grains for aid to the undernourished millions in Europe.

Since the announcement of the program by President Truman on Feb. 7 many home cooks, as well as commercial bakers, have bought up as much white flour as they could get. Reports from Chicago last week indicated that some millers feared there would be black marketing of white flour.

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**BRAND NAMES NOT TO BE USED** - Fort Worth, Tex. - A majority of millers will not market the new emergency dark flour under their regular or advertised brand names, according to W. P. Bomar, Fort Worth, president nominate of the Millers National Federation. He said the trademark labels were too valuable to risk the resentment that might be built up against them if the public did not like the flour.

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**GROCERY DRIVERS END 4-WEEK STRIKE** - By a vote of 152 to 104, members of Local 138 of the International Brotherhood of Teamsters, AFL, agreed yesterday to end their four-week strike against fifty-two wholesale grocers, which had cut off deliveries of flour, staples and canned foods to thousands of small stores throughout the city.

The drivers will return to work this morning under an agreement providing wage increases of 15 cents an hour, an eight-hour day, and forty-hour week, two weeks' vacation, eleven paid holidays and three days' sick leave a year.

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**FARM PRICES** - Editorial - At regular intervals the farm bloc in Congress has pressed for legislation designed to raise farm prices. Such legislation either calls for a liberalization of the definition of farm price parity or for an increase in the loan value on basic agricultural products. The most persistent of these efforts have been those by Congressman Pace of Georgia, to redefine parity to reflect all farm labor costs, including the work performed by members of farm families. Thus, for example, under the Pace bill the parity price for cotton would become about 28-1/2 cents a pound, as compared with the present parity of 21.7 cents, while the parity price of wheat would be raised from the current \$1.55 a bushel to more than \$2 a bushel. The proposed revision in farm price parity, taken together with the higher parity which develops automatically as industrial prices rise, would certainly accelerate the inflationary price spiral.

(Turn to page 2 for more items from today's New York Times)



From The New York Times, Feb. 25 (Cont.)

TRADING IN GRAINS FALLS OFF SHARPLY - Chicago - Operations in grain futures on American exchanges have decreased sharply as the result of only two deliveries of oats, September and December, and May rye remaining available for general operations, all other futures of the various grains holding at ceiling prices. Trading in May wheat on American exchanges and July at Minneapolis is now limited to liquidation of outstanding contracts as the result of disclosure that the new Government wheat conservation program limits buyers of wheat to two classes, mills and feed interests and the Commodity Exchange Administration.

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PRICES OF COTTON RUN A WIDE RANGE - Prices of cotton in the domestic market moved over a wide range last week. After experiencing the first sharp setback in many months, the market rallied strongly at the end of trading for the week, with some active futures contracts reaching new seasonal highs. At the close of trading on Thursday active futures contracts on the New York Cotton Exchange were down 9 points to up 11 points, in contrast to gains of 47 to 58 points in the preceding week.

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SUGAR QUOTA RISE TO 60% INDICATED - With shipments of sugar beginning to arrive here and other cargoes afloat, prospects for industrial sugar users generally are brighter and allotments for the second quarter probably will be increased to 60 percent and in some cases, even to 70 percent. B. W. Dyer & Co., sugar economists and brokers, 120 Wall Street, predicted today.

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RESEARCH FIELD WARNS ON DEMAND - Estimates about pent-up demand for consumer goods need considerable revising because of the lagging return of automobiles, electric appliances and other products, marketing sources pointed out last week. Emphasizing that a period of scarce goods distorts the true demand, making it appear that unlimited quantities can be sold, market researchers warned that the situation has changed greatly since V-J Day.

Much of the cash that was bulging in workers' pocketbooks at the war's end has thinned out, it is believed, and industry must gauge this to get an accurate picture of the market. Money set aside for a toaster, a vacuum-cleaner and other goods, has been coaxed away by such ready bait as pleasure trips, night clubs and hundreds of other diversions. This cash would have been readily channeled into purchase of new products, market men point out, if they had been available at the war's end or a few months later.

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LARD TRADING SLOW, DROP IN OUTPUT SEEN; GOVERNMENT ORDERS ARE TO BE FELT SOON - Chicago - Trading in cash lard was slow last week and packers look for decreased production and the development of a tighter situation in the near future. The Government order that 5 percent of the live weight of hogs be set aside for lard is estimated to account for 35 to 50 percent of the output at points in the eleven States affected by the order, and production may be curtailed further by the fact that a 10 percent set-aside order for pork will result in packers making every effort to include as much fat in the product as possible.



From the New York Journal of Commerce - Feb. 25 -

COTTON MILL OUTPUT DUE FOR 20% RISE - Washington - Sponsors of the Government's incentive program for increasing the production of staple cotton fabrics expect that the total output of broad woven cotton goods will be expanded by approximately 20 per cent over the present level.

It is hoped that the 5 per cent price incentive will stimulate the upward trend in cotton textiles and bring about a total production of 2,800,000,000 linear yards per quarter, or more than 11,000,000,000 yards a year.

Current demand for broad woven cotton goods is estimated at 14,000,000,000 yards. This expectation of a record production level is chiefly based upon the Office of Price Administration statement that the 5 per cent incentive price will enable mills to operate overtime, regardless of the outcome of the current dispute over allowances for raw cotton costs.

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DRIVE STARTS TO END FARM CROP CEILINGS, Washington - A drive to remove price controls from all farm commodities is taking shape in Congress. Chairman Thomas (Dem, Okla.) of the Senate Agriculture Committee told reporters over the weekend that he will make a fight to that end when the Senate considers price control legislation and that there are other Senators of like mind.

Legislators from the cotton States have been particularly concerned over the possibility of a ceiling on that commodity.

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OPA TO KEEP PRICE LINE, SAYS PORTER, Washington - The present price line will be held until the threat of inflation has been removed by the "tide of production," Paul Porter, who was recently named head of the Office of Price Administration, said last night in addressing the Washington chapter of the American Institute of Banking. It was the first speech since replacing Chester Bowles, who has been named Economic Stabilizer.

Mr. Porter charged that critics of price control "seem to want to pawn America's future for a pot of paper profits."

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BASIC FERTILIZER SUPPLIES TIGHTER - Some agricultural areas in the United States are due to feel an acute pinch in fertilizer supplies this year. The supply of every basic fertilizer material is becoming tighter as the period of heavy seasonal demand approaches, a week-end survey of leading producers reveals.

The two most serious shortages are nitrogen and phosphates. Suppliers report there is little hope of increasing shipments to manufacturers of mixed fertilizers during the peak demand season.

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From the New York Journal of Commerce, Feb. 25 (Cont.)-

**HARVESTER PLANS AID TO FARMERS** - A plan for local bank financing of installment sales of the company's products sold through dealers (farm tractors and equipment, motor trucks, and refrigeration) has been developed by International Harvester Co. as a guide for bankers and dealers in anticipation of a substantial revival of time sales following upon resumption of full-scale industrial production.

Some provisions of the suggested plan recognize that in a financing agreement on a non-recourse basis the bank must be protected from the necessity of going into the used-machine business. Regardless of all exercise of prudence, some repossessions may be necessary. The local bank has no facilities for moving, storing, reconditioning and selling repossessed machinery. Therefore, the dealer would, under the plan, agree to bring in the repossessed machine, recondition, store, and resell it. The dealer would be reimbursed for this expense. If the resale proceeds, after payment of the dealer's handling expense and all legal expenses, does not fully cover the balance owing to the original note, the deficiency would be charged to the dealer's reserve account, the establishment of which is recommended, within certain prearranged limits. If an overage is realized it is payable either directly to the dealer or to the dealer's reserve account, depending upon the balance in the account.

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**PLANTERS PROTEST CUBAN GOV'T ACTION** - The Cuban Government signed a decree absorbing any increase above 3.67½c f.o. b., paid for 240,000 tons of world quota sugar, it was reported over the week-end.

Cuban planters met after this announcement was made and agreed to combine with the colonos to protest against the Government's absorption of this differential—the 3.67½c price set on sugar sold to the United States and the "world" market price of approximately 8c.

Siphoning of this "excess" price will not affect the United States market. Movement of supplies from Cuba are beginning to expand sharply in volume. A number of vessels are now operating to speed shipments here.

From the New York Wall Street Journal, Feb. 25 -

**CIGARETTE MARATHON** - Cigarettedom's "Big Five" - Lucky Strike, Camel, Chesterfield, Philip Morris and Old Gold - soon may have to share the market with a "Big Sixth", American Tobacco Co.'s Pall Mall.

The Wall Street Journal's continuing spot survey of retail tobacco sales shows Pall Mall the fastest growing brand. In the Mid-West and along the Atlantic Seaboard Pall Mall has emerged from the wartime period of shortages and supply dislocations with sales gains reminiscent of the upsurge of the Philip Morris brand in the mid-thirties.

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**THE C.I.O. FARM EQUIPMENT WORKERS** ratified an agreement with the Caterpillar Tractor Co., ending a strike of 17,500 employees.

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From the Chicago Journal of Commerce, Feb. 20 -

MEAT WAGE AWARD SHOWS FACT-FINDING IN ITS TRUE COLORS - By Wilbur J. Brons - Word from Washington that the White House is about to order a wage increase of 16 cents an hour for production workers in the seized plants of the Big Five packers occasioned no surprise here. The unions, at least, seem to have known for several days that the Wage Stabilization Board has endorsed the recommendation of Mr. Truman's fact-finders.

This award makes clear the real nature of the fact-finding procedure so dear to the President's heart. The fact-finders in the meat packing case were appointed by an administration already pledged to generous wage increases for organized workers. This will be true of all cases in which fact boards are appointed as long as the administration's policy remains what it is, or until Congress removes the President's wartime powers.

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From the Kansas City Times, Feb. 19 -

WHEAT IS SOAKED - Southwestern Kansas, which recently gave some indications of becoming a dust bowl once more, was soaked so well by rain and snow yesterday that wheat farmers in most of the area took on a definitely jubilant air at the prospect of worthwhile crops.

The rains, which turned to snow in some areas late yesterday, ranged across the southern part of the state.

Many amounts were upward of an inch in moisture equivalent according to reports received by the weather bureau at Kansas City and from correspondents in various communities in the area affected.

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From the Memphis Commercial Appeal, Feb. 19 -

DISTORTED MARKETS NOT NEW FOR COTTON - "The cotton market, as far as staple cotton is concerned, is in what we might term a state of suspended animation," E. M. Garrard, manager of the Staple Cotton Co-operative Association reported to his directors this month. "The supply of desirable staple cotton is not large, either in the hands of the original producer or the cotton merchant, and with any general mill buying of 1-1/8 inch and longer staples, an exhaustion of supply could easily occur within the next few months. At present and for the past month or two mills have shown no interest in replenishing their stocks of staple cotton.

"In the meantime, the future market has continued to advance but the advance has brought out no mill demand. As a consequence, premiums on staples have declined, and at the moment desirable medium grade staples are selling at relatively the cheapest basis we have had in a number of years. Delta cotton of 1-1/8 inch staple is bringing little if any premium over 1 3-32 inch staple, and the prices almost the equivalent of 1 1-16 inch values. This, of course, is an unusual situation and one which will in the course of months be corrected. There is a definitely higher spinning value for 1 3-32 inch above 1 1-16 inch staple, and likewise there is a definitely higher spinning value for 1 1/8 inch staple.

"The distorted condition that exists at present, while unusual, has occurred before when the future market has been on an exceedingly high level.

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★ FEB 27 1935

U. S. DEPARTMENT OF AGRICULTURE

From the Milwaukee Journal, Feb. 19 -

VETERAN FARM PROBLEMS STRESSED IN HOUSE - Washington, D. C. - Representative Reid F. Murray (Rep., Wis.) was one of several Republicans and Democrats who denounced the government's handling of veterans' problems on the house floor Monday.

Murray said the government should settle more veterans on farms, and that any building program should provide for an adequate amount of rural housing.

Larcade (Dem., La.) said he was "exasperated and disgusted with the treatment which has been accorded the returning veterans of this country."

He demanded that those in the government responsible for the present state of veterans' affairs be compelled either to resign or be removed.

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From the Chicago Daily Tribune, Feb. 20

CREDIT TO HELP TENANTS BUY FARMS URGED - Flexible credit plans for both the purchase of land and production purposes would give tenant farmers better opportunities to become farm owners, Prof. E. D. Hill, head of the farm management department of Michigan State college, said yesterday.

As chairman of a special committee formed a year ago to study farm ownership problems of tenants, he reported to 75 agricultural experts at the international farm tenure conference at the University of Chicago.

To increase operator ownership, he said that competent farm tenants should be provided with "sufficient credit on a basis of a flexible payment schedule for interest and long time amortization, enabling them to purchase an adequate size farm."

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From the Kansas City Times, Feb. 19 -

WHAT NEXT ON CONTROLS? - Editorial - A heated issue is arising over price and rental ceilings. The handling of it is a matter of direct and daily concern to every person in the country. Two principles become evident at once.

1. Those ceilings that are demanded for protection of the public must be held so long as the protection is demanded but not a moment longer.

2. The ceilings that are kept must be administered with common sense and a reasonable degree of flexibility.

It is only on these conditions that production can be encouraged and a greatly increased flow of goods started to consumers. Where ceilings are an obstruction to that end they are not serving the public interest but are hurting it. There can be no blanket continuance of the controls but there should be a policy for the temporary holding of them on a selective basis. The line can be drawn between goods and services that are now coming out in fair volume and those in which acute shortages still exist. Notable among the latter would be rentals and certain items of food and clothing.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 26 -

ECCLES OPPOSES WAGE RISES CAUSING INCREASE IN PRICES-Washington-Wage rises can be justified only "when they can be met out of increased productivity and profits without increasing prices," Marriner S. Eccles, chairman of the Federal Reserve Board, asserted today. Pay increases resulting in price advances to the consumer were inflationary, he told the House Banking and Currency Committee in advocating extension of the Price Control Act.

Mr. Eccles warned that there was a possibility that the new wage-price policy might cause a rise of as much as 10 per cent in the cost of living, which the Government estimates is now 30 per cent above pre-war levels.

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BRITAIN CONTINUES WARTIME GRAIN PROGRAM; SUBSIDIES TO TURN LAND TO WHEAT EXTENDED-London-Continuation of Britain's wartime policy of maximum cereal production at the expense of other types of agriculture, if necessary, was assured today when the House of Commons approved without a record vote the Government's farm policy as expounded during recent debates.

Minister of Agriculture, Tom Williams announced during the debate that not only would the subsidy of 2 pounds--about \$8--an acre for plowing under grass land for grain production be continued, but the period for which land must have been in grass to qualify for subsidy would be reduced from seven years to three.

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TO SEEK HARVESTER PEACE-Chicago-Edgar L. Warren, head of the Federal Conciliation Service, has assigned his first assistant, Ronald Haughton, to attempt to settle a dispute between the International Harvester Company and the United Farm Equipment and Metal Workers Union, CIO, the union said today. Mr. Haughton is expected to arrive in Chicago tomorrow from Washington.

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STATE FARMS TO NEED MORE HELP-Rochester, N.Y.-New York State farms will need about 10,000 more seasonal laborers this year than were required in 1945, Joseph J. Sugden, regional farm placement director of the United States Employment Service, estimated today. He said a State-wide survey of farm needs and fruit prospects indicated that, with good crops expected, approximately 140,000 workers would be necessary, compared with between 127,000 and 130,000 last year, when many fruit crops were below normal.

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OPA ACTS TO SPEED MORE SUITS FOR MEN BY EASING CURBS ON PRODUCTION OF CLOTH-Washington-In a move to increase the supply of worsted fabrics that are urgently needed for men's suits, the Office of Price Administration relaxed today its restrictions governing the output of high-grade woollen cloth.

The agency, modifying its Maximum Average Price Regulation for wool, ruled that manufacturers could exempt from provisions of the MAP certain worsted suitings produced in excess of the output made during their given base periods of production.

(Turn to page 2 for other items in today's N.Y. Times.)

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Farm Digest 375-46



From The New York Times, Feb. 26 (Cont.) -

**COTTON PRICES SAG AFTER FIRST HOUR**-After a strong and buoyant first hour, the cotton futures market on the New York Cotton Exchange turned easier yesterday and closed 22 points lower to 3 points higher.

The market opened 1 point lower to 22 points on new commission house buying and trade support, especially in the distant months, which made new highs for the season.

Prices eased off later due to liquidation in the March contract coincident with the the approach of first notice day, which is today.

The Export-Import Bank is expected to agree to make a \$25,000,000 cotton credit available to Czechoslovakia shortly with which to purchase 175,000 bales of American cotton. Italian credits are also expected to be signed shortly. The Indian Government placed the cotton acreage at 13,690,000 acres, compared with 14,803,000 last year, and placed the crop at 2,944,000 bales of 400 pounds, but recent private estimates place the Indian crop at 3,932,000 bales, compared with 3,900,000 bales last year.

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**GRAINS DEVELOP HEAVY UNDERTONE**-Chicago-Grains developed a heavy undertone today on the Board of Trade and, although the inside prices were not maintained May rye lost 1 cent a bushel and the active deliveries of oats were off 1/8 to 1/4 cent. Other futures held at the ceiling price, the only trading in wheat being in May delivery, which was regarded as liquidation of uncompleted contracts.

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**PRICE CUT URGED TO SELL POULTRY**-An allegation that New York housewives were not price-conscious enough to take advantage of a food bargain brought spirited denials and a challenge from club women and consumer representatives yesterday at a conference called by the Department of Agriculture to devise ways of getting the huge chicken surplus into pots.

Replying Mrs. Bessie O. Mott, consumer relations chairman of the New York City Federation of Women's Clubs, challenged the trade to "make a good price cut" on poultry and see how much more would be bought. Many families who still regard chicken as "only for Sunday" would serve it on other days too, if prices were cut enough, she said.

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From Baltimore Sun, Feb. 26 -

**CENTRAL SUGAR CONTROL FOR CARIBBEAN IS URGED**-Charlotte Amalie, Virgin Islands-The creation of a single sugar planning authority for the entire Caribbean was suggested today before the second West Indian conference now in session here.

Dr. V. F. Anderson, delegate from British Honduras, declared that only in this way could many of the nations and territories of the area hope to solve their long-term problems of rising populations and improper use of the land.

Such authority, Dr. Anderson suggested, would set the sugar quota for each territory and determine the acreage from which that sugar must be produced; while the land released from the immediate production of sugar would be planted in other crops either for local consumption or for export.

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From the New York Wall Street Journal, Feb. 26 -

FLOUR PROGRAM MAY BRING FIRST BREAD SHORTAGE IN 25 YEARS, Minneapolis-Shutdown flour mills and this country's first bread shortage in over 25 years may be witnessed by June.

These, with slashed milk production, liquidated poultry flocks, a rampant black market in livestock feeds, and a need for 50% more sugar and shortening in bread baking, and cited by millers and feed makers as probable consequences of the "emergency flour" program, which begins officially on Friday.

Flour millers estimate that between now and June 30, the supply of millfeed will be cut by 750,000 tons, or 30%.

By May or June, some say, flour mill shutdowns due to a lack of available wheat may be extensive, with the bread shortage following. The seriousness of the shutdowns will depend largely on how much wheat farmers hold back from the market between now and when the new crop begins to move in July.

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NEW ENGLAND SHIPPERS WARNED SHORTAGE ON BOX CARS IMPENDS, Boston - A warning of the impending crisis in the supply of box cars was issued to shippers and receivers of freight in New England by William H. Day, manager of the transportation department of the Boston Chamber of Commerce.

The shortage, worst since the start of the war, said Mr. Day in a statement, is caused by the demands made on an already dwindling supply of cars by the preferential handling of grains and other foodstuffs being moved for overseas relief, by the extension of the five-day week which results in a piling up over the weekends, by the inability of the railroads to procure repair parts, and by a general decline in the performance records of both railroads and shippers.

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GERMAN FOOD RATIONS may be cut, said Lt. Gen. Lucius Clay, deputy U.S. military governor. He said a final decision is pending.

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HOG PRICE CEILINGS WON' T BE SHUFFLED OVERNIGHT - Department of Agriculture Secretary Anderson, eyeing the feed scarcity, has indicated he favors ceilings 50 cents per 100 pounds higher for skinny porkers and 50 cents lower for fat ones. But--and the "but" is important--he feels that farmers who have been guided by present price levels, encouraging raising of weightier hogs, should be given a chance to market their heavy hogs before prices are cut.

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BUTTER SUPPLIES AT STORAGE TERMINALS ARE NEARING THE VANISHING POINT - Tumbling 40 million pounds since the first of the year, stocks are now under 15 million pounds. They'll be exhausted in three weeks at the present consumption rate. Production struggles along near 16 million pounds weekly. That is 28% under a year ago. It compares with a weekly average of 35 million pounds in pre-war years.

(Turn to page 4 for other items from - - -  
today's N.Y. Wall Street Journal)

Farm Digest 385-46-3



From the New York Wall Street Journal, Feb. 26 (Cont.) -

DULUTH GRAIN TRADING RESTRICTED - The Board of Governors of the Duluth Grain Exchange ruled yesterday that no new trading in grain futures on that exchange will be permitted until further notice. There have been no transactions in Duluth wheat or rye futures for the past several months and values have held at the ceiling level. Grain traders believed the action was taken because of recent inactivity which was the result of the lack of offerings of cash grains.

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LIVERPOOL COTTON EXCHANGE'S FUTURE UNCERTAIN - London - Sir Stafford Cripps, president of the Board of Trade, told Commons he still is unable to make any statement on the future of Liverpool Cotton Exchange.

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HUNT FOODS, INC. - Hunt Foods, Inc., as it prepares to absorb the dried fruit business of Guggenheimer & Co., gives promise of giving the West Coast another major packing company. Since the consolidations in 1916 which formed California Packing Corp. there have been many attempts to organize another large packing concern on the West Coast. Although Hunt hasn't reached the stature of California Packing, it has in less than four years risen from a relatively modest position to a major one. The largest part of the growth has occurred in the past 12 months. After the Guggenheimer acquisition, Hunt will have an annual sales potential of between \$35 million and \$40 million. It is necessary to turn to Calback and Libby, McNeill & Libby for larger volumes in the far western packing field.

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From the New York Journal of Commerce, Feb. 26 -

DAIRY CEILINGS' END HELD DANGEROUS, Washington - Removal of all price controls on dairy products "could easily wreck the entire stabilization program," Geoffrey Baker, OPA Deputy Administrator for Price, today told a special House food investigating committee.

A sharp rise in consumer prices for dairy products would immediately result if controls were removed, Baker asserted, and added:

"The consequences for stabilization would be truly disastrous. I cannot urge too strongly against such an action."

Chairman Pace (Dem., Ga.) asked Baker and Thomas G. Stitts, chief of the dairy section of the Agriculture Department, why a "suspension" of price controls could not be tried in April or May—the peak milk production period.

Stitts declared that there would be a "tremendous bulge" in prices if removed now; there would be a speculative rise if removed in April or May. He questioned what would then happen to the demand.

Both Stitts and Baker stated that butter prices were "out of balance"—a point stressed by a long list of previous dairy industry witnesses at earlier hearings.

"We have to have higher butter prices or there will be no butter produced at all by next fall," Stitts said.

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From the New York Times, Feb. 24 -

REPORT FROM THE NATION - Central States- Area Questions Whether Truman Policy Will Work - Chicago - With fears of uncontrolled inflation prevalent among Central Westerners, President Truman's new formula on wages and prices was closely scrutinized by the public this week for indications that it would succeed in avoiding a sky-high cost of living.

Aware that failure of the President's "controlled inflation" program would mean \$1.25 or more a pound for butter and other prices in proportion, consumers, detecting a lack of overenthusiasm in public comment, have apparently adopted a prayerful wait-and-see attitude.

Midwest States, Farm Group, Stirred by City Strikes, Talks Walkout, Omaha - The few Midwest farmers who are seeking to set up machinery for a national farm strike are continuing their recruiting efforts with all the zeal of ordained missionaries.

They brush off the advice of Farm-Belt newspapers and of established farm organizations, who caution them that a farm strike would be short-sighted and perhaps ineffective. What's more the handful of recruits finds a sympathetic, if often patronizing, reception among Midwest farmers.

The vague movement, which seems to have originated in Oklahoma, has taken even deeper roots in parts of Nebraska, with activity centering around the group at Edgar. This group calls itself the American Farmers Vigilante Committee. It has announced that it will welcome recruits from every farm State.

The threat of a farm strike, though obviously a distant possibility, cannot be shrugged off.

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From the Produce Packer, Feb. 23 -

THE FEED SITUATION, Editorial - The food-for-Europe program announced recently by President Truman, calling for strict conservation of grain and cereal foods, was necessary to enable this country to meet its commitments for European relief during the first six months of this year.

There is no question of the serious need in Europe for shipments of food, and few will dispute the responsibility of the United States to do its share in feeding these people, many of whom would otherwise be faced with starvation.

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MORE ABOUT PRICES, Editorial - The National Association of Manufacturers has sponsored advertisements in leading daily newspapers, advocating that the inflation threat be warded off by removing all price controls. It reads to us like something of a contradiction in terms. A little like trying to get the flies out of the house by taking down the screens.

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From the New York Herald Tribune, Feb. 24 -

LEHMAN WARNS OF FOOD RIOTS ABROAD SOON - Herbert H. Lehman, director general of the United Nations Relief and Rehabilitation Administration, predicted Friday night that the shortage of food abroad will produce within a few months "suffering, riots and disorder that will shock the conscience of this country."

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From the New York Herald Tribune, Feb. 24 -

CANE-ALCOHOL BAN IS A BLOW TO DISTILLERS - The new order issued Thursday by the Civilian Production Administration, banning the use of cane alcohol in the manufacture of alcoholic beverages, came as a surprise to many in the alcoholic beverage industry and will upset a number of plans made to ease the tightening liquor supply situation created by the new grain curbs, it was reported yesterday.

With distillery operations reduced to five days a month to conserve grain for relief feeding abroad, a number in the industry were preparing to import cane spirits from the Caribbean area to supplement the dwindling supplies here.

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From the Produce Packer, Feb. 23 -

PRICE CONTROLS HAVE AIDED FARM PRODUCER SAYS BOWLES' Washington - Chester Bowles, prior to his assumption of duties as Stabilization Director under OPA chief John Snyder, appeared before the House Banking and Currency Committee to urge the extension of the price law and subsidy operations for a full year after June 30, 1946, and placed great emphasis on the position of the farm producer under the price control law.

Bowles told the committee that government agencies had over-estimated the effect of reduced payrolls following V-J Day and that it had been necessary to reverse its plans as long as consumer buying power held at the present high levels indicated by peak retail sales.

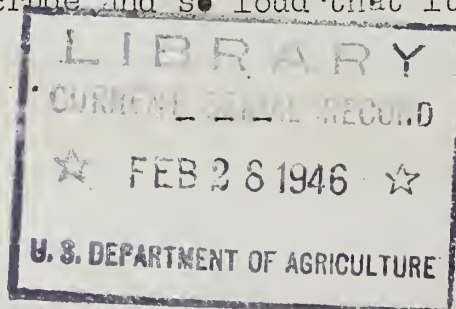
OPA and the other agencies had planned to remove price controls as rapidly as cost of living declines were registered. One of these compensating declines had been expected in citrus.

From the Baltimore Sun, Feb. 25 -

THOSE 2,000 CHICKS AND WHAT THEY PROVE, Editorial - There are a number of ways of looking at those 1,000 baby chicks sent to the White House. Mr. Truman, in refusing to dig down in his pocket to pay the charge--seven cents a chick, express prepaid--quite clearly saw in them an inescapable invitation to go into the poultry business. But the poultry business is a full time job and President Truman already has a full-time job.

The Indiana hatchery owner who sent the chicks saw in them a chance to show that he was very, very mad he also sent 1,000 baby chicks--seven cents a chick, express prepaid--to Secretary of Agriculture Clinton P. Anderson, who also refused to dig down, etc.

Supporters of the Government's order to reduce poultry production will obviously see in the hatchery man's gesture a pressure tactic of the crudest and loudest sort, so crude and so loud that it will boomerang in the Government's favor.



Farm Digest 385-46-6



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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

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From The New York Times, Feb. 27 -

RETAIL MEAT RISE OF  $1\frac{1}{2}\%$  ALLOWED; PAY INCREASED 16%-Washington-The Government ordered today a wage increase of 16 cents an hour in the packing industry and authorized an increase in the ceiling prices of meat which will add an average of  $1\frac{1}{2}\%$  per cent to consumer costs.

The wage order was by the Wage Stabilization Board, which thus set its first wage pattern for any industry. The increased ceilings were announced by Chester Bowles, Director of Economic Stabilization, who said that he agreed to them "with extreme reluctance" as an alternative to additional subsidies, which it was too late to obtain.

Pricing orders which are being prepared will allow the packing industry an average rise of 45 cents a hundred pounds of beef, veal and lamb and 55 cents for pork. Ceiling prices for Government purchases will be further increased an average of about 25 cents a hundred pounds for all meats.

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PACKER ASKS SUBSIDY ENDS: CHARGES PROFIT SQUEEZE-Rochester, N.Y.-Frederick M. Tobin, president of Tobin Packing Company, called today for an early end of meat subsidy payments declaring artificial price levels have caused "dislocations, inequalities and a profit squeeze in many packing house products."

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SCHOOL LUNCH FUND DOUBLED BY SENATE-Washington-The Senate voted an authorization today for up to \$115,000,000 of Federal aid a year, \$65,000,000 more than the House approved recently, to establish a permanent program for supplying nutritious balanced luncheons to school pupils, 5 to 17 years of age. The program seeks to reach eventually an estimated 30,000,000 children in public and private schools.

The Russell-Ellender bill which aims at an ultimate annual fund of \$400,000,000 through gradual expansion was passed by a unanimous voice vote.

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COTTON WEAR LACK LAID TO PRICE CURB-Washington-Four representatives of the cotton clothing industry told a Senate inquiry today that regulations of the Office of Price Administration were the principal cause of the shortage of low-cost garments and textiles.

Testifying before a special subcommittee of the Committee on Forestry and Agriculture investigating the scarcity of cotton clothing, headed by Senator Bailehead of Alabama, they attacked especially the OPA's Maximum Average Price Order as a curb on production.

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SAYS 700,000 SUITS ARE WITHHELD-Washington-Louis Rothschild, executive director of the National Association of Retail Clothiers and Furnishers, said today that at least 700,000 men's suits were being withheld from the market because of delays in issuing a price order.  
(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, Feb. 27 - (Cont.)

**MAY RYE ADVANCES 2 CENTS A BUSHEL**-Chicago-Reports that exporters were in the market again for cash rye brought in fairly aggressive buying of May rye on the Board of Trade after an early dip today and the close was about the top at a gain of 2 cents a bushel. The upturn was in the face of another 5-cent decline, the daily limit, in May and July rye in Winnipeg with May down 25 cents in the last five business days. The Canadian market advanced about 30 cents previously in about a week. October rye at Winnipeg gained 4 7/8 cents.

The active deliveries of oats here finished unchanged to 1/8 cent lower than yesterday. Other grain futures held unchanged at ceiling prices.

The Commodity Exchange Administration has purchased more than 1,500,000 bushels of wheat on the North Pacific coast since the new Government wheat program went into effect.

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**COTTON SELLS OFF 2 TO 12 POINTS NET**-Cotton futures on the New York Cotton Exchange developed some irregularity yesterday and closed 2 to 12 points net lower.

Today the Government will offer 500,000 bales of cotton, 10 per cent of which is said to be desirable for spinning purposes. It is likely that several days will elapse before successful bidders are announced. The Government is expected to make another offering in the spring. These Government offerings and the repossessions from loan stocks tend to ease near months in relation to the distant months.

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**RETAILERS OF FRUIT WILL GO TO CAPITAL**-New York retailers of fresh fruits and vegetables, who have threatened a shutdown in protest against black marketing by wholesalers, were assured yesterday of a hearing in Washington on their complaint against price-fixing methods used by the local Office of Price Administration.

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From The New York Herald Tribune, Feb. 27 -

**TRUMAN IS STUDYING NEW FOOD CONTROLS**-Washington-President Truman told his news conference today that new food conservation directives are under consideration, and will be issued if they are found necessary.

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**'TRUMAN BREAD' EXTOLLED**-Ithaca, N.Y.-Nutrition specialists at Cornell University today extolled the virtues of the new "Truman bread" and at the same time cautioned housewives against flour hoarding.

In a prepared statement, the Cornell nutritionists advised that the darker bread, which will result after March 1, when millers start extracting 80 per cent of the wheat instead of 72 per cent, would be more nourishing than the present variety.

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From the New York Journal of Commerce, Feb. 27 -

FATS AND OILS SHORTAGE AT A GLANCE - 1. Domestic supplies of edible fats and oils will show no material easing in 1946. Supplies will be about the same as last year. 2. Permanent relief will await resumption of large-scale imports, impossible for the duration of the present acute world shortage. 3. Lard production this year will be larger, but smaller stocks and continued exports will offset the increase. 4. Butter output will remain below normal, despite a moderate improvement during second half of year. 5. Vegetable oil supply will about equal last year, despite small 1945 cottonseed oil crop and farmer reluctance in selling soybean crop.

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BETTER QUALITIES OF COTTON HELD FOR FANCY PREMIUMS, New Orleans, La. - With smaller quantities of actual coming out of Government holdings and open market offerings anything but free, turnover in the spot cotton markets of the South-Central belt was moderate at best during the past week, although sales continued to run far in excess of comparable days of last season.

Mills remained rather indifferent, although some of them were more inclined to fix prices during the first day or so of the shortened week. Practically every marketing point suspended activity for the three-day week-end holiday period. The basis remained firm on medium and better grades but the differences were again widened on lower grades at some points. Prospects for exports became more promising during the period as arrangements were nearing completion for shipping of considerable cotton to Germany and Japan as well as six or seven nations recently given approval of Import-Export Bank loans for staple purchases from this country as plans for helping the Continent rejuvenate its textile industry.

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MARKETS - Active demand holds hog prices at ceilings... Flour output heavy but entirely applied against directions.... Demand for dried apples improves... Marked strengthening on Eastern iced chickens... Very short apple supplies... Spinach slow and lower... Squeeze in egg prices developing... butter black marketing... U. S. olive oil importers reported shipping empty drums to Greece to speed exchange.

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MACARONI MAKERS TO CONTINUE LABELS - Plans to continue capacity operations under established brand names using the new 80 percent extraction durum product have been made by macaroni and noodle manufacturers in this area, it was learned yesterday.

Formation of the plans, it was understood, followed a test run with the new product, with most manufacturers "agreeably surprised" at the appearance, strength and cooking qualities of the emergency materials.

Many of the manufacturers had feared that the new flour—a mixture of coarse and fine durum granules—would produce a macaroni unacceptable to consumers, and thus a shutdown might be necessary to protect brand names. Another alternative could have been to market entire new brand emergency order. This also, it was felt, would be impractical, as new carton and labels could not be obtained in time. An important factor in the decision to continue operations, it was understood, was notification from the Food & Drug Administration that restrictions on the use of "durum semolina product" on labels would be waived for the duration.

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From the New York Wall Street Journal, Feb. 27 -

UNITED KINGDOM BUYS CANADIAN WHEAT, Winnipeg - The United Kingdom took further quantities of Canadian wheat, with around 500,000 bushels involved in the purchases which included milling grades.

There were also indications that small lots of flour had been sold to China, with Hong Kong believed to be the destination of some exports.

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COTTON GOING TO U. S. ZONE IN GERMANY, Berlin - U. S. military authorities announced that 10,000 tons of raw cotton for the manufacture of bags and work clothing were enroute from the United States to the American occupation zone in Germany.

The shipment inaugurates a long-range plan for importation of raw cotton to all four German occupation zones.

Finished textiles from German spindles will be exported to pay the original cost of the raw cotton and to provide for the needs of liberated countries.

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BUTTER STOCKS ARE ALMOST EXHAUSTED - Butter stocks at principal U. S. storage points are about exhausted. On Monday, 35 principal markets reported that holdings amounted to 14.8 million pounds -- but most of it belonged to the Government.

At the first of the year, stocks were over 50 million pounds. Butter production is about 27% below last year, amounting to about 16.5 million pounds a week. A year ago output was 23 million pounds. Before the war it was about 35 million pounds weekly.

There is no immediate relief in sight despite the fact that the season of heavy milk production is approaching. Milk production is exceeding all records and was 8.6 billion pounds during January, 5% ahead of last year.

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CORN REFINERS REDUCE OPERATIONS, Chicago - Corn refiners are being forced to curtail operations as a result of the growing shortage of corn, Clinton Industries, Inc. points out in a letter mailed to its customers. The company asserts that it fears the shortage may become so acute the industry will have "to shut down completely until the 1946 crop comes in late next fall unless some change is made in Government policies.

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From the San Francisco Chronicle, Feb. 19 -

LESS BUTTER, IS PRODUCERS' PREDICTION - There will be less butter available this year than ever before. The public, appetite for "luxury" dairy items, aided by pockets lined with war-time high earnings, has resulted in a diversion of whole milk to more profitable production fields.

California's butter production about 70,000,000 pounds in a pre-war year; fell to 30,000,000 in 1945 and will fall to less than 10,000,000 pounds this year. This is a view of the current butter demand-and-supply picture as seen by Paul McClure, chairman of the butter committee of the Pacific States Butter, Egg, Cheese and Poultry Association. "The whole answer is that milk producers can make more money by selling their milk for use in ice cream, whipping cream, cheese, and other luxury items," he said.

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From The Cooperator, New York, Feb. 18 -

**SUPPLIES FOR EUROPE SHORTENED BY INDUSTRY'S HEEDLESS FLOUR PROGRAM**-By James Rorty and M. Philip Norman, M. D.-Treason is the only word that adequately describes the shameful history of cowardly evasion, cheap surrender to greedy vested interests and dishonest official and unofficial propaganda that lies back of the now admitted breakdown and failure of American food policy during and after the war.

A major aspect of that breakdown was by implication confessed when, on Feb. 6, the President informed the American people that if we were even to approximate fulfillment of our food commitments to Europe we should have to give up our white bread for the duration of the emergency and eat a bread made with 80% extraction flour. (Dr. Norman advocates "100% flours-simply ground grains"-Editor's Note)

That won't give us wheat enough to feed Europe this winter and spring. We would have had enough if honest and courageous scientists in and out of government had been able to put the facts before the American people and get their decision-not the backstairs decision of a ruthless coalition of big millers, big bakers and big manufacturers of synthetic vitamins, (used to "enrich" flour).

Because of that and other betrayals on the food front of this war-betrayals of science by scientists, of the responsibilities of government by government officials, and of the freedom of the press and radio by the men who directly or indirectly control or dominate these social instruments, we, the American people, find ourselves standing empty handed and ashamed, facing the most terrifying human crisis in modern times.

Even if we were to start now to do our best, it would be too little and too late to save the thousands of Europeans who have starved and other thousands who must starve before help can come.

But this much we should do without delay.

We should sweep aside this 80% extraction proposal and demand the utilization of all available grain supplies for human feeding, here and abroad. We should demand immediately a Congressional investigation of our wartime fool policy and its markers, in and out of government.

The authors of this column have placed such a demand upon the desk of the President.

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From The Kansas City Star, Feb. 24 -

**WHEAT PLAN JOLTS**-Though numerous government directives designed to control the activities of the grain industry have come out of Washington in recent years, grainmen are agreed that none surpasses in sketchiness and ambiguity War Food Order No. 144, the so-called wheat conservation plan which went into effect last Monday.

The loosely-drawn document, issued after governmental rejection of a wheat-saving plan proposed by the milling industry, has been found literally riddled with loopholes which kept the trade in a state of confusion all last week.

And confusion still is rife. Sixteen questions concerning the operation of the program taken to Washington by W. B. Lathrop, regional CCC chief, remain unanswered, so most grain dealers' hands are tied.

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**BLAST UNRRA FOOD PLAN**-Berlin-The combined nutrition committee of the American, British and French military governments reported today that UNRRA is feeding excessive rations to displaced persons while the German growing children and old folks are suffering from undernourishment.

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From the Watertown Daily Times, Feb. 22 -

FEED SHORTAGE SEEN AS NO FALSE ALARM - The present feed shortage is not a false alarm but the situation is far from disastrous in the opinion of Archie Wright, president of the Northeastern division of the Farmers union. He believes that the dairy farmer must be favored in allotment of the available grain and that farmers in this area will be largely affected only by their voluntary conservation measures.

Declaring that the feed scare is no false alarm as it was proved to be two years ago when Mr. Wright exposed attempts to influence farmers to sell their cows, the union official said that the country has six per cent less feed and what we have is being used ten per cent faster.

"The even-normal granary which got us through the tightest period of the war, is now exhausted", he said, "Cotton seed meal is 25 per cent less than last year. We cannot import from South America for there is little surplus there."

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From the Davenport Democrat and Leader, Feb. 21 -

INEVITABLE RESULT, Editorial - "You hold the industry in the palm of your hand," a representative of the packers told a federal "fact-finding" board on the eve of its wage recommendations. He meant that if wages are forced out of line with prices, the industry will lose money and face insolvency.

The nation at last is up against the realization that the price line is not going to be held because the wage line is not. Wages are going up and so are prices. All intelligent economists knew it from the beginning.

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From the Kansas City Star, Feb. 21 -

MILL HOLDINGS LIBERAL - The reports received thus far on mill inventories of wheat have tended to show that numerous plants have rather liberal amounts on hand, especially those near the better sources of supply.

Instances of inventories in excess of a 45-day grind are not unusual it was said here today. Under the new conservation order, processors with that quantity may not purchase more until they are down to a 21-day basis.

This situation, it was said, might result in a fairly liberal floating supply of grain.

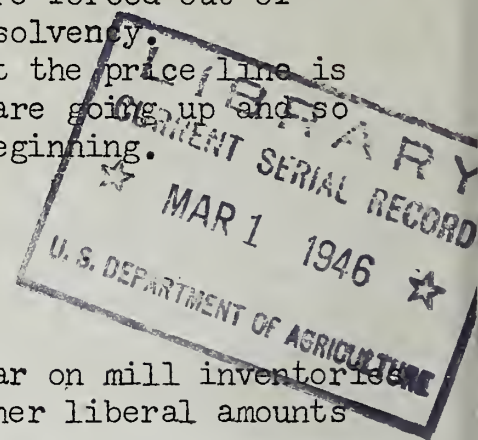
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From the Watertown Daily Times, Feb. 22 -

WHY THE VIEW ON SUBSIDIES HAS CHANGED -Editorial - Originally it was intended to end subsidies soon after V-J Day. It was expected that food supplies, food costs and food demands would rapidly become normal once more. While some price increases were expected, it was thought these increases would be compensated for by a general decline in food costs.

This did not materialize, however. Indeed, the opposite happened. Prices jumped the moment controls were released, sometimes with no apparent reason, as in the case of oranges. It became apparent immediately that the line could not be held unless food subsidies were continued. Forty percent of the total cost of living is represented in food costs. Remove the subsidies and the cost of living advances at a minimum eight per cent, the experts estimate. Probably the increase would be much greater than this. ... A removal of the subsidies would result in two evils, first, a marked increase in the price of living, and, second, a decline in farmer prices.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 9409A. Phone Gene Harrison at 6212.)

From The New York Times, Feb. 28

**TRUMAN SUMMONS HOOVER AND OTHERS ON FOOD AID ABROAD**-Washington-President Truman, saying that former President Hoover had already promised to attend, sent telegrams today to twelve other civic leaders asking them to participate in a White House meeting Friday to plan a campaign for public support of a voluntary program of reduced food consumption in the United States to increase shipments to famine-ridden countries of Europe and Asia.

**CABINET CHIEFS HAVE ROLE**-Washington-The White House meeting Friday on food will be under the auspices of Secretary of Commerce Wallace, Secretary of Agriculture, Anderson and Assistant Secretary of State Clayton, representing Secretary Byrnes.

Charles G. Ross, White House press secretary, said that a Cabinet subcommittee which has been studying the situation recommended the proposed campaign.

**OUTPUT OF SHIRTS EXPECTED TO RISE**-Increased production of men's and boy's shirts within a few weeks was predicted in the trade yesterday on the basis of an expected easing in Government regulations that will permit a speed-up in both output and shipments. The shortage relief will come through a revision in the Maximum Average Price (MAP) plan of the Office of Price Administration, it was said.

**NICARAGUA TO BUY ALL COTTON**-Managua-The Government will purchase the 1946 cotton crop and all surpluses from growers for 90 centavos a pound. The cotton will be sold to mills at a fixed price. The Government wishes to protect growers who are at times forced to sell below the cost of production.

**PACKING PAY RISE ORDERED**-Chicago-The five major meat packing companies now operated by the Government were ordered today by the Government to put into effect immediately a 16-cent hourly pay increase ordered by the National Wage Stabilization Board.

The increase is to be made retroactive to Jan. 26, the day the Government took over operation of strike-bound plants, and the accumulated retroactive pay increase is to be computed and paid as soon as possible.

**TREASURY ENTERS TEXTILE PRICE WAR**-Washington-Secretary Vinson said tonight that the Treasury would join the war on the textile black market, adding its forces to those of the Department of Justice and Office of Price Administration in a country-wide drive to eradicate one of the causes of clothing scarcity and high costs.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, Feb. 28 (Cont.) -

**COTTON PRICES GO UP 19 TO 29 POINTS**-Increasing opposition to authority of the Office of Price Administration over farm prices brought yesterday renewed buying of cotton futures on the New York Cotton Exchange and the market rose steadily and closed near the best levels of the day, 19 to 29 points net higher than the day before.

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**MAY RYE FEATURED IN GRAIN MARKETS**-Chicago-May rye continued to furnish a large part of the business transacted on the Board of Trade. Today it lost 1 7/8 cents a bushel net after having risen 1 5/8 cents in the early trading.

Exporters were said to be inquiring for cash rye early, but later the market broke on reports that the Government continued to refuse export permits for shipment of rye to England. Deferred deliveries of rye held at ceiling prices, with no trading reported.

Active deliveries of oats finished unchanged to 1/8-cent higher than yesterday with May and July unchanged at the permissible maximum. Trading in wheat was confined to a few sales of July and September and in changing between May and the deferred months. All business was at ceiling prices. Corn and barley futures were unchanged.

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**WORLD COTTON GROUP SPLITS ON SURPLUSES**-Washington-An international cotton study group representing major cotton exporting and importing countries reported that it is unable to agree upon a program of post-war management of world cotton surpluses.

In a report prepared for the advisory committee the study group said it was not in a position at this time "to agree upon a complete plan of international cooperation in the handling of the present and prospective cotton surpluses."

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**ASSERT OPA HARMS DOMESTIC TEXTILES**-Washington-Senators investigating a shortage of cotton clothing heard statements today that the Office of Price Administration was driving low-priced United States textiles off the market and inviting inferior high-priced imports.

Robert A. Seidel, vice president of W. T. Grant & Co, which operates 490 stores in thirty-nine States, spread out before a Senate Agriculture subcommittee two men's knitted cotton undershirts.

One undershirt was made in Mexico and had an OPA ceiling price of \$2. The other was made in this country and was described by Mr. Seidel as superior. He said that it would be made profitably for \$4.50 a dozen, permitting a retail sale at 50 cents, but that the OPA insisted on a price of \$3.75 a dozen and hence it was not being made. "What's the reason for that?" asked Chairman Bankhead. "Oh, a good deal of it is stupidity and incompetence," Mr. Seidel replied. "They haven't the slightest conception of how to fix prices."

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**FORCING UP LIVING COSTS**-Editorial-What has just happened in the meat industry provides an illuminating case study of the Government's present wage-price program. The Government has not only encouraged but compelled an increase in wages in packing houses of 16¢ an hour. The pattern has been set; a strike is threatened in packing houses; the Government seizes then; it orders a wage increase of 16¢ an hour, and presumably is now ready to return to their owners packing houses saddled with this wage increase.

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From the New York Wall Street Journal, Feb. 28 -

EUROPEAN RATIONS REDUCED - In Germany, the British ordered civilian rations cut to 1,014 calories daily, starting next Monday. Officials said existing food supplies were too short to maintain the present scale of 1,500 calories.

In Austria, Food Minister Frenzl said the bread ration might have to be cut one-third, lowering daily calories to about 1,000.

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STRIKE ENDS AT CORN PRODUCTS PLANT - Striking workers at the Pekin, Ill., plant of Corn Products Refining Co. have accepted a wage increase amounting to approximately 17½% on average straight hourly rates. Workers at the company's two other plants are still out.

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PHILIP MORRIS SALES IN JANUARY 2ND HIGHEST ON RECORD - Current retail sales of Philip Morris cigarettes demonstrate that the brand is holding its trade position well, A. E. Lyon, president, said. In October Philip Morris accounted for 10.9% of the U. S. markets. In November, Mr. Lyon said, the percentage dropped to 9.5% as total sales of Philip Morris & Co., Ltd., Inc. underwent a sharp decline.

December's total sales, while not as good as had been anticipated, were impressive percentagewise. Philip Morris accounted for 11.9% of the domestic markets in that month, Mr. Lyon said. Although comparisons with the industry as a whole for last month are not now available, January sales of Philip Morris were the second highest on record.

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SENATE APPROVES RFC FLOUR AND MEAT SUBSIDIES TOTALING \$150 MILLION - Washington - Authority for payment of an additional \$125 million in Government meat subsidies and an extra \$25 million in flour subsidies was approved by the Senate.

The additional funds, to be paid by the Reconstruction Finance Corp., will carry the two subsidy programs through June 30.

In addition, the bill extends the right of the Government to purchase for resale at a loss, sugar and vegetables processed before July 1, 1946, and flaxseed harvested before that date.

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From the New York Journal of Commerce, Feb. 28 -

BURLAP SHORTAGE SEEN AGGRAVATED - Burlap supplies will remain tight throughout 1946 -- measured in terms of current demand -- although the shortage is not expected to become more acute as long as Calcutta burlap production remains at its present level.

The present supply squeeze is due primarily to the fact that consumption in this country is running at a rate far above normal. Unprecedented bag demand for Government flour and sugar relief shipments to Europe drove United States consumption of burlap in January up to about 110,000,000 yards. Prewar United States consumption averaged about 70-80,000,000 yards per month, of which bag manufacturers took 50-60,000,000. During the war consumption through rise of allocations was cut down. Scarcity of cotton materials for bag manufacturers still puts an extra burden on burlap and will continue to do so throughout 1946

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

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From the New York Journal of Commerce, Feb. 28 (Cont.) -

ANDERSON SEEKS FLEXIBLE POSTWAR FARM PRICE FLOORS, Washington - Revision of the Government's existing commitment for a two-year postwar price support for agricultural products at 90 per cent of parity is now under consideration by the Department of Agriculture.

The question has been given first priority of study by the department. This was disclosed today as the House Appropriations Committee made public the testimony given by Secretary of Agriculture Anderson in closed committee hearings.

Secretary Anderson referred to possible changed methods for carrying out the "real intent and spirit of our price-support commitments" for the development of a long-time production pattern.

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THE FOOD CONFERENCE, Editorial - President Truman doubtless has ample warrant for calling tomorrow's conference to consider plans for curtailing domestic food consumption so as to increase further supplies for export.

One unfortunate consequence of voluntary drives to limit domestic food consumption to date has been the hoarding that follows. Retailers have found that every plea from Washington to cut food use here is followed by a wave of forward buying by consumers who fear that they will not be able to fill their own requirements, with resulting aggravation of shortages.

The alternative to voluntary curtailment of food consumption is a return to rationing, which would be unpalatable both to consumers and to distributors. But the Government has yet to present in forceful fashion the facts about the world food crisis and this country's role in its alleviation to the American public, so that all can see why consumption must be curtailed further and why hoarding of food at this time is unfair both to starving millions abroad and to our own citizens.

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BRITAIN'S FUTURES MARKETS, Editorial - There are indications that British public opinion is rallying to the defense of the commodity futures markets in that country after Sir Stafford Cripps, president of the Board of Trade, was reported to have said that the Liverpool Cotton Exchange would not be re-opened.

The British commodity futures markets have played an important role in facilitating the marketing of major commodities, and have provided a valuable hedging medium. They have also helped to provide foreign exchange to Great Britain through the commissions earned and the banking, insurance and shipping business provided. "To throw away this invisible income at the present juncture," warns The Economist of London, "would be the height of folly."

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BREWERS ALARMED BY GRAIN POLICY - The nation will have less beer to drink in 1946 than at any period during the war if the Government reduces this year's grain quota for use in the manufacture of alcoholic beverages by an indicated 30 per cent, leading brewers in the New York area predicted yesterday.

An official of one of the larger breweries said: "A seasonal upswing in consumption generally gets under way in March and reaches its peak around August, just when the full impact of the lower grain quotas would hit the industry the hardest."

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